
SHARP INDIA LIMITED

(Formerly - Kalyani Sharp India Limited up to 20/04/2005)

The Memorandum of Association and Articles of Association

C. I. N.

(S. M. SAINDA NE)
ASSTT. REGISTRAR OF COMPANIES, PUNE.

NO. 36759/TA

FRESH CERTIFICATE OF INCORPORATION
CONSEQUENT ON CHANGE OF NAME

the office of the Registrar of Companies, Maharashtra, Bombay.

the matter of * KALYANI TELECOMMUNICATIONS AND ELECTRONICS LIMITED

I hereby approve and signify in writing under section
of the Companies Act 1956 (Act I of 1956) read with the
Government of India, Department of Company Affairs Notification
G.S.R. 507E dated the 24th June 1985 the change of name of
company from KALYANI TELECOMMUNICATIONS AND ELECTRONICS LIMITED
KALYANI SHARP INDIA LIMITED.

I hereby certify that KALYANI TELECOMMUNICATIONS AND ELECTRONICS
LIMITED which was originally incorporated on FIFTH day of
JULY 1985 under the ** COMPANIES Act 19 56 . PRIVATE
under the name KALYANI TELECOMMUNICATIONS & ELECTRONICS LIMITED
having duly passed the necessary resolution in terms of section
22(1)(a)/22(1)(b) of the Companies Act 1956 the name of the
said company is this day changed to KALYANI SHARP INDIA LIMITED.
.. ~~LIMITED~~ and this certificate is issued pursuant to
section 23(1) of the said Act.

Given under my hand at Bombay this SECOND day of MAY
19 86 One thousand Nine Hundred Eighty Six

(V. GOVINDAN)
REGISTRAR OF COMPANIES
MAHARASHTRA, BOMBAY.

- note: 1. * Here give the name of the company as
existing prior to the change.
- 2 ** Here give the name of the Act(s) under which the
company was originally registered and incorporated.
- *****

NO. 36759/TA

CERTIFICATE OF CHANGE OF NAME
IN THE OFFICE OF THE REGISTRAR OF COMPANIES,
UNDER THE COMPANIES ACT, 1956.

IN THE MATTER OF KALYANI TELECOMMUNICATIONS AND ELECTRONICS
PRIVATE LIMITED

I do hereby certify that pursuant to the provisions of
Section 23 of Companies Act, 1956 and the Special Resolution
passed by the company at its Annual/Extra-ordinary General
Meeting on the 26 - 08 - 1985. The name of

"KALYANI TELECOMMUNICATIONS AND ELECTRONICS PRIVATE LIMITED"

has this day been changed to "

KALYANI TELECOMMUNICATIONS AND ELECTRONICS LIMITED.

And that the said company has been duly incorporated as a
company under the provisions of the said Act.

Dated this TWENTIETH day of SEPTEMBER

One thousand nine hundred and eighty five.



Har Lal
(HAR LALL) 20/9/85

ASSTT. REGISTRAR OF COMPANIES
MAHARASHTRA, BOMBAY.

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The Company Law Board, Western Region Bench, Bombay, have confirmed the alterations in the Objects Clause III. [A] 1, [B] 2, 65 and [C] 76 vide its Order passed on June 28, 1990, in Company Petition No. 279 (17) CLB/WR of 1989.

(Registered vide Certificate No. 36759/TA dated September 12, 1990 granted by the Assistant Registrar of Companies, Maharashtra, Bombay.)

MEMORANDUM OF ASSOCIATION

OF

--- SHARP INDIA LIMITED

- I. The name of the Company is : **Sharp India Limited.**
- II. The Registered Office of the Company will be situated in the State of Maharashtra.
- III. The objects for which the Company is established are :
[A] The main objects of the Company to be pursued by the Company on its incorporation.

1. To carry on the business of buyers, sellers, manufacturers, dealers, importers, exporters, assemblers and fabricators of every type of electric or electronic machinery, tools, instruments, apparatus, home appliances, equipments (Audio and Video), devices, auxiliary accessories, spare parts, components and raw materials, used in engineering, scientific, mechanical, electrical, hydraulic, pneumatic, electronic, thermal, space, sonic, ultrasonic, optical, surgical and surveying machinery, equipments and instruments of all kinds and descriptions including, without limiting the generality of the foregoing industrial, medical, educational, consumer entertainment telecommunication equipments, computers, electronic accounting and business machines, electronic communication equipment, electronic control instruments and basic components, such as valves, transistors, condensers, coils, magnetic materials and microwave components, radiographs, phonographs, dictaphones, television sets, record players, tape-recorders, video cassette recorders and players, projection television sets, washing machines and other home appliances and all kinds of consumer and entertainment goods and articles, amplifiers and all sorts of electrical and wireless sets, audio and video products, automobile parts and other instruments.

[B] Objects incidental or ancillary to the attainment of the main objects.

2. To acquire by purchase, lease or otherwise, for the purposes of the Company any real or personal property, rights, or privileges, and in particular land, buildings, rights of way, easements, licences, concessions and privileges, patents, patent rights, trade marks and other intellectual property rights, machinery, rolling stock, plant, accessories and stock in trade.
3. To carry on business on its own account or on account of the constituents, as buyers, sellers, importers, exporters, agents, dealers or as collectors, manufacturers of machinery of all kinds of spare parts, accessories and equipments, in connection with the Objects set out herein and the business of the Company.

4. To acquire, from time to time, and to manufacture and deal in all such stock-in-trade, goods, chattel and effects as may be necessary or convenient for any business for the time being carried on by the Company.

5. To buy, purchase, sell, lease, take on lease, exchange or otherwise acquire lands, buildings, flats and hereditaments of any tenure or description in India or elsewhere whether for residential, business, manufacturing, or other purposes and any rights, easements, advantages and privileges relating thereto and either for investment or resale for trafficking in the same and to turn the same into account as may seem expedient, and to construct, alter, improve, decorate, develop, furnish and maintain offices, flats, houses, factories, warehouses, godowns, shops, buildings and other structures, works and convenience of all kinds or any of the lands or immovable properties purchased or acquired by the Company and to lease, sell, deal in or to otherwise dispose of the same.

6. To build, construct, alter, maintain, enlarge, pull down, remove or replace and to work, manage, and control any building, offices, factories, mills, shops, hotels, guest houses, machinery, engines, roads, ways, branches of sidings, bridges, reservoirs, warehouses, wharves, electric works and other works and conveniences which may seem calculated directly or indirectly to advance the interest of the Company and to join with any other person or Company in doing any of the aforesaid things.

7. Subject to the directions of Reserve Bank of India or Government of India in this behalf to borrow or raise moneys or loans for the purpose of the Company by promissory notes, bills of exchange, hundies, and other negotiable or transferable instruments or by mortgage, charge, hypothecation or pledge, or by debentures or by debenture stock, perpetual or otherwise, charged upon all or any of the Company's property and assets, both present and future, moveable and immoveable, including its uncalled capital, upon such terms as the Directors may deem expedient or in such other manner, or to take money on deposit or otherwise (merely for the purpose of financing the business of the Company) with or without allowance of interest thereon and to lend money to customers and others having dealing with the Company and to guarantee the performance of contracts by any such persons and to execute all deeds, writings and assurance for any of the aforesaid purposes, but not to carry on Banking business as defined under Banking Regulation Act, 1949.

8. To establish, to provide, maintain and conduct, or otherwise subsidise research laboratories and experimental workshops for scientific and technical research and experiments; to undertake and carry on scientific and technical researches, experiments and tests of all kinds; to promote studies and researches; both

scientific and technical, investigations and inventions by providing subsidising, endowing or assisting laboratories, workshops, libraries, lectures, meetings and conferences and by providing or contributing to the remuneration of scientific or technical professors or teachers and by providing or contributing to the awards of scholarships, prizes, grants to students or otherwise and generally to encourage, promote, and reward studies, researches, investigations, experiments, tests, and inventions of any kind that may be considered likely to assist any business which the Company is authorised to carry on.

9. To establish laboratories for control of the quality of raw materials, intermediates and finished products and to carry out research and investigations to process, improve, and invent new and better techniques and methods of making products of steel and alloy steel ingots, steel and alloy steel billets and all kinds of sizes of re-rolled sections.

10. To apply for and acquire permits, licences and quota rights from the Government of India or from State Governments, or from Foreign Governments to import and export plant, equipment, spare parts thereof, machinery, raw materials, intermediates, finished products and processing materials connected with the manufacturing and selling of the products of the Company.

11. To enter into contracts, agreements and arrangements with any other company, firm or person for the carrying out by such other Company, firm or person on behalf of the Company of the objects for which the Company is formed.

12. To manufacture, buy, sell, exchange, alter, improve, manipulate, prepare for market and otherwise deal in plant, machinery, apparatus, tools, utensils, receptacles, substances, materials, articles and things necessary or convenient for carrying on any of the business or processes of the Company or usually dealt in.

13. To employ experts to investigate and examine into the conditions, prospects, value, character and circumstances of any business concerns or undertakings or of any assets, property or rights.

14. To carry on business or branch of a business which this Company is authorised to carry on by means, or through the agency of any subsidiary Company or Companies, and to enter into any arrangements with such subsidiary company for taking the profits and bearing the losses of any business or branch so carried on, or for financing any such subsidiary company or guaranteeing its liabilities, or to make any other arrangement which may seem desirable with reference to any business or branch so carried on including power at any time and either temporarily or permanently to close any such branch of business.

15. To search for and to purchase or otherwise acquire from any Government, State or Authority and licences, concessions,

grants, decrees, rights, powers and privileges whatsoever which may seem to the Company capable of being turned to account and in particular any water, rights or concessions either for the purposes of obtaining motive power or otherwise and to work, develop, carry out, exercise and turn to account for the same.

16. To purchase, take on lease or in exchange or otherwise and to make advances on any land or lands and to purchase, acquire, hire, hold, make and maintain roads, canals watercourses, ferries, piers, wharves and other ways and to make, construct, purchase, acquire, hire, hold, improve, alter, manage, let, sell, exchange, barter and dispose of lands, leases buildings, warehouses, works, sidings, ships, boats, aeroplanes, engines, machinery and apparatus whatsoever.

17. To acquire by concession, grant, purchase, amalgamation, barter, lease, licence or otherwise either absolutely or conditionally and either solely or jointly with others any tracts of country, lands, houses, estates, farms, quarries, water rights, way leaves and other works, privileges, rights and hereditaments and any machinery, plant, utensils, trade-marks and other movable and immovable property of any description whatsoever at any place or places in India or any Foreign Country and together with such rights as may be agreed upon and granted by Government or by the Rulers or owners thereof and to expend such sums of moneys as may be deemed requisite and advisable in the exploration, survey, cultivation and development thereof.

18. To erect, construct, enlarge, alter, acquire, work, use, barter, exchange and otherwise deal with such mills, factories, workshops, buildings, houses and erections as may be expedient and to purchase or put into working order such machinery and accessories as may, from time to time, be expedient.

19. To enter into any contract or arrangement of other dealing for the more efficient conduct of traffic or business of the Company or any part thereof.

20. To construct, maintain, lay down, carry out, work, sell, let on hire, and deal in all kinds of works, machinery apparatus, conveniences, and things capable of being used in connection with any of these objects.

21. To accumulate funds and to lend, invest or otherwise employ moneys belonging to, or entrusted to the Company, upon any shares, securities or investments upon such terms as may be thought proper, and from time to time, to vary such transactions in such manner as the Company may think fit.

22. To apply for, tender, purchase, or otherwise acquire or enter into any contracts, sub-contracts, arrangements, licences and concessions for or in relation to the objects of businesses as herein mentioned or any of them, and to undertake, execute, carry out, dispose of or otherwise turn to account the same.

23. To erect, construct, enlarge, alter or maintain buildings and structures of every kind necessary or convenient for the Company's business.
24. To extend or develop the business of the Company, from time to time, by purchasing, acquiring by exchange or otherwise or taking on lease for the purposes of the Company or other part of India or elsewhere any lands (whether freehold, leasehold or otherwise) with or without buildings standing thereon and any machinery, plant or other property (including trademarks, trade names and goodwill) of every description (moveable as well as immovable) necessary or expedient for any business or objects or prospective business or requirements of the Company or any estate or interest in or right over any such property and by erecting, constructing and maintaining on any lands of or in the possession of the Company and mills, other buildings, structures, works and machinery plant and to let on hire and to improve, extend, repair, add to, alter, enlarge and remove all or any of the buildings, mills, factories, premises, machinery and other things for the time being the property of the Company and to expend for such purposes, from time to time, such sums of money as the Company may deem necessary or expedient.
25. To exchange, sell, convey, mortgage, assign or let on lease or leases the whole or any part of the property (whether moveable or moveable) of the Company and to accept as consideration for or in lieu thereof other land or cash or Government securities guaranteed by the Government of India or State or other Government or Municipal, Port, Trust, Railway or other Authority or shares, debentures, stock, bonds or securities of any other joint stock Company or companies or partly the one or partly the other or such other property or securities as may be determined by the Company and to take back or re-acquire any property so disposed of by repurchasing or leasing the same for such price or prices and on such terms and conditions as the Company may think fit.
26. To open current, fixed, overdraft or other accounts with any Bank, Bankers, Shroff, or Merchant and to pay into and to draw moneys from such accounts.
27. To advance and lend moneys on such security as may be thought proper or without taking any security therefor.
28. To invest the funds of the Company, from time to time, in such assets, properties, securities, shares, bullion, species or investments or otherwise as may, from time to time, be determined by the Directors and from time to time, sell or vary all such investments and to execute all assignments, transfers, receipts and documents that may be necessary in that behalf.

29. Upon any issue of shares, debentures or any other securities of the Company, to employ brokers, commission agents and underwriters and to provide for the remuneration of such persons, for their services by payment in cash or issue of shares, debentures or other securities of the Company, by the granting of options to take the same or in any other manner allowed by law.

30. To enter into partnership or into any arrangement for sharing profits, union or interests, co-operation, joint venture, reciprocal concession or otherwise, or collaborate with any person or company, carrying on or engage in, any business or transaction either in India or abroad, which this Company is authorised to carry on or engage in.

31. To act in conjunction with, unite or amalgamate with, create or constitute or assist in creating or constituting any other Company or Association of a kind similar wholly to this Company for the purpose of acquiring all or any of the properties, rights and liabilities of the Company, and to buy up or absorb all or any part of the business or property of any such Company or Association and to acquire and secure membership, seat or privilege in and of any association, exchange, market or institution in India or any part of the world.

32. To enter into any arrangements with any Government or Authorities, Municipal, local or otherwise, or any persons or company in India or abroad, that may seem conducive to the Objects of the Company or any of them and to obtain from any such Government, authority, persons or company, any rights, privileges, charters, contracts, licences and concessions including in particular rights in respect of water, waterways, power, supply, road and highways, which the Company may think it desirable and to carry out, exercise and comply therewith.

33. To apply for and take out, purchase by way of licence or otherwise any patents, patent rights of inventions, trade mark rights, copy-rights or secret processes or technical aid or "know-how" which may be useful for the Company's objects and to grant licences to use the same.

34. To act as Buying and Selling Agents of any Company, and to do and perform wholly or partly the several duties, services and offices which the Buying and Selling Agents of any company usually do perform and to undertake and to become bound by conditions of any agreement entered into for any purposes.

35. To alter, manage, develop, exchange, lease, mortgage, underlet, sell, give in gifts or otherwise dispose of, improve or deal with the land, property, assets and rights and resources and undertaking of the Company or any part thereof for such considerations as the Company may think fit and in particular for shares, debentures,

or securities of any other Company having objects altogether or in part similar to those of this Company and to distribute among the members in cash or in specie any property or assets of the Company, provided that no such distribution amounts to reduction of Share Capital except in accordance with the provisions of the Companies Act, 1956, in this behalf.

36. To pay all costs, charges and expenses incurred or sustained in or about the promotion and establishment of the Company or which the Company shall construe to be preliminary, including therein the cost of advertising, commission for underwriting, brokerage, printing and stationery and the expenses attendant upon the formation of agencies and local boards.

37. To procure the incorporation registration, or other recognition of the Company in India, and to establish and regulate agencies for the purposes of the Company's business and to apply or join in, applying to Government, Local, Municipal or other authority or body for concessions, orders, rights or privileges that may seem conducive to the Company's objects or any of them and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interests.

38. To provide for welfare of the Directors or Ex-Directors or the employees or ex-employees of the Company and the wives, widows and families of such persons, by building or by contributing to the building of houses, dwelling houses, chawls, or by grant of money, pensions, allowances, bonus or other payments or by creating endowments from time to time, subscribing to provident funds and other funds and providing or subscribing towards schools, places of instruction and recreation and hospitals, dispensaries, medical and other attendance and other assistance as the Company shall think fit, and to form, subscribe to or otherwise aid benevolent, religious, scientific, national, public or other institutions or objects or purposes.

39. To sell, dispose of or transfer the business, property and undertaking of the Company or part thereof for any consideration which the Company may deem fit to accept and in particular for shares, debentures, debenture stocks, bonds or securities of any other company or companies for the purpose of its or their acquiring all or any of the property, rights or liabilities of this Company or for any other purpose which may seem calculated to benefit this Company.

40. To create any reserve fund, sinking fund, insurance fund, dividend equalisation fund or any other special fund, whether for depreciation or for repairing, improving, extending or maintaining any of the property of the Company.

41. To place, to reserve or to distribute as bonus shares among the members or otherwise to apply as the Company may, from time to time, think fit, all moneys received by way of premium on shares or debentures issued at a premium by the Company and any moneys received in respect of forfeited shares and moneys arising from the sale by the Company of forfeited shares.

42. To subscribe, underwrite, acquire, take up and hold shares, stocks, debentures, debenture-stocks, bonds, obligations and other securities issued or guaranteed by any Company constituted or carrying on business in India or in any foreign country; and debentures, debenture-stocks, bonds, obligations and other securities issued or guaranteed by any Government, Sovereign Ruler, Commissioner, public body or authority, supreme, municipal, local or otherwise, whether in India or in any foreign country.

43. To do the things hereby authorised either alone or in conjunction with, or in partnership with any person, firm or body corporate, or as factors, trustees or agents of any other companies or persons or by or through any factors, trustees or agents.

44. To apply for, purchase, or otherwise acquire, and protect and renew in any part of the world any patents, patent rights, brevets d'invention, trade marks, designs, formulas, copyrights, licences, concessions and the like, conferring any exclusive or non-exclusive or limited right to their use, or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the Company and to use, exercise, develop, or grant licences in respect of, or otherwise turn to account, the property, rights or information so acquired, and to expend money in experimenting upon, testing or improving any such patents, inventions, or rights.

45. To sell any patent rights or privileges belonging to the Company or which may be acquired by it or any interest in the same; and to grant licences for the use and practice of the same or of any of them; and to let or allow to be used or otherwise deal with any inventions, patents or privileges in which the Company may be interested and to do all such acts and things as may be deemed expedient for turning to account any inventions, patents and privileges in which the Company may be interested.

46. Subject to the provisions of the Companies Act, 1936, to make donations to such persons or institutions and, in such cases and either of cash or any other assets as may be thought directly or indirectly conducive to any of the Company's objects or otherwise expedient and in particular to remunerate any person or corporation introducing business to this Company, and also subscribe, contribute, or otherwise assist or guarantee money for charitable, scientific, religious or benevolent, national, public, cultural, educational or other institutions or subjects or for any exhibition or for any public objects.

47. To pay out of the funds of the Company all expenses which the Company may lawfully pay with respect to the promotion, formation and registration of the Company or the issue of its capital including brokerage and commission for obtaining applications for or taking, placing or underwriting or procuring the underwriting of shares, debentures or other securities of the Company.

48. To pay all preliminary expenses of any Company promoted by the Company or any company in which the Company is

or may contemplate being interested, including such preliminary expenses all or any part of the costs and expenses of owners of any business or property acquired by any such company.

49. To adopt such means of making known the business of the Company as may seem expedient, and in particular by advertising in the press, by circulars, by purchase and exhibition of work of art or interest, by publication of books and periodicals, and by granting prizes, rewards and donations.

50. To lend and advance money or to give credit to such persons or companies on such terms as may seem expedient, and in particular to customers and others having dealings with the Company, and to guarantee the performance of any contract or obligation and the payment of money of or by any such persons or companies and generally to give guarantees and indemnities.

51. To receive money on deposit or loan or borrow or raise money in such manner as the Company shall think fit, and to secure the repayment of any money borrowed, raised or owing or the repayment or performance of any debt liability, obligation, contract, guarantee or other engagement incurred or to be entered into by the Company or any other person or company in any way and in particular by the issue of debentures or debenture-stock perpetual or otherwise or by mortgage, charge or lien upon all or any of the property or assets of the Company both present and future, including its uncalled capital; and to purchase, redeem or pay off any securities, but not to carry on banking business as defined in Banking Regulations Act, 1949, subject to provisions of Section 58 A and directives of Reserve Bank of India.

52. To draw, make, accept, endorse, discount, execute and issue bills of exchange, promissory notes, bills of lading, warrants, debentures and other negotiable or transferable instruments or securities.

53. To insure the whole or any part of the property of the Company either fully or partially to protect and indemnify the Company from liability or loss in any respect either fully or partially, and also to insure and to protect and indemnify any part or portion thereof either on mutual principle or otherwise.

54. To carry out in any part of the world, all or any part of the Company's objects as principal, agent, factor, trustee, contractor, or otherwise, and by or through trustees or agents or otherwise, and either alone or in conjunction with any other person, firm, association, corporate body, municipality, province, state, or government or colony or dependency thereof.

55. To undertake and execute any contracts for works involving the supply or use of any plant, machinery, article, or things which the Company is entitled to produce or deal in or carry out any ancillary or other works comprised in such contracts.

56. To purchase, manufacture, construct, fabricate, assemble, hire, let on hire, alter and deal in all kinds of plant, machinery, equipment, accessories, spare parts, appliances, tools, apparatus, utensils, materials, substances, articles, things, requisites and facilities necessary or useful for in connection with main object.

57. To do all and everything necessary, suitable or proper for the accomplishment of any of the purposes or the attainment of any of the objects or the furtherance of any of the powers herewith set forth, either alone or in association with other corporate bodies, firms, or individuals, and to do every other act or acts, thing or things, incidental or appurtenant to or growing out of, or connected with the aforesaid business or powers or any part or parts thereof.

58. To acquire the goodwill of any business within the objects of the Company and any lands, buildings, privileges, rights, contracts, property or effects held or used in connection therewith and upon any such purchase, to undertake the liabilities of any company, association, partnership or person.

59. To be interested in, promote and undertake the formation and establishment of such institutional business or companies [industrial, agricultural, trading, manufacturing or other] as may be considered to be conducive to the profit and interest of the Company.

60. To borrow or raise or secure the payment of money or to receive money on deposits at interest or otherwise, and at such time or times and in such manner as the Company may think fit, and in particular by the issue of debentures or debenture-stock, perpetual or otherwise, including debentures or debenture-stock, convertible into shares of this or any other company or perpetual annuities, and in security of any money so borrowed, raised or received, to mortgage, pledge or charge the whole or any part of the property, assets or revenue of the Company, present or future, including its uncalled capital, by special assignment or otherwise or to transfer or convert the same absolutely or any interest therein and to purchase, redeem or pay-off any such securities. Provided always that the Company shall not carry on business of banking within the meaning of Section [11b] of the Banking Regulations Act, 1949, subject to provision of 58A and directives of R.B.I.

61. To manufacture, buy, import, export, put up, sell, use, install, hire, let on hire, repair, assemble, distribute or otherwise deal in or trade in, telephones, telegraphs [wireless or other] dynamos, engines, accumulators, transformers, condensers, capacitors, cables, resistances, amplifiers, transmitters, chokes, cables, wires, lamps, dry cells, batteries, torches, lighters and all appliances, apparatus, machinery, goods, gadgets, accessories, articles and things not known or which may hereafter be invented or connected with the generation, accumulation, distribution, supply or employment of electricity or any power, force or energy that can be used as substitute therefor including all cables, wires, or appliances for connecting apparatus at a distance with the other apparatus and including the formation, maintenance and alternation of exchange and centres.

62. To carry on the business of designers, manufacturers, merchants, and repairs of absorption, reabsorption compressor and thermoelectric water coolers, air conditioners and cold storage machinery, plant, apparatus, appliances, fitting and equipment of every description and thermotrans for automatic temperature control and room heaters with or without blow-fan and hot water heaters operated with electricity, gas or oil, and of all machinery, implements, utensils, appliances, accessories and component parts all things capable of being used therewith.
63. To carry on the business of electricians, electrical engineers, electrical contractors, and manufacturers of all kinds of electrical machinery and electrical apparatus for any purpose whatsoever and to manufacture, sell, supply and deal in accumulators, lamps, meters, engines, dynamos, batteries, telephonic or telegraphic apparatus of any kind and manufacturers of and dealers in scientific instruments of any kind.
64. To carry on all or any of the business of manufacturers, installers, maintainers, repairers of and dealers in electrical and electronic appliances and apparatus of every description, and of and in radio, television and telecommunication requisites and supplies and electrical and electronic apparatus, appliances, equipment and stores of all kinds.
65. To carry on the business as manufacturers and repairers of and dealers in, dynamos, motors, magnetos, batteries, conductors, insulators, transformers, converters, switch-boards, cookers, glass, pottery, rubber, insulating materials and generally electrical plant, appliances and supplies of every description.
66. To carry on business as manufacturers of and dealers in cables, chains, anchors, belts, wires, cords, conductors, turbine, boilers, engines, dynamos, motors and mechanical and electrical machinery, plant and fittings generally.
67. To carry on business of manufacturers of, dealers in and repairers of electrical accumulators, batteries, acids and containers, wireless, transmitting and receiving sets, gramophones, sound reproducing, amplifying instruments, cinematograph machines, cameras and photographic apparatus and requisites equipment and fittings for any of the instruments aforesaid.
68. To carry on business of general electric power supply company in all the branches, and to construct, lay down, establish, fix and carry out all necessary power stations, cables, wires, lines, accumulators, lamps and works and to generate, accumulate, distribute and supply electricity and to light cities, towns, streets, docks, markets, buildings and places both public and private.

[C] Other Objects

69. To carry on and conduct workshops, engineering works of every description and kind founders of iron and steel, brass and other metals, wood and any other substances.

70. To set up steel furnaces and continuous casting and rolling mill plant for producing Hot Rolled Mild Steels, Steel and alloy steel ingots, Steel and alloy steel billets and all kinds and sizes of Re-rolled sections, i.e. Flats, Angles, Round, T-Iron, Squares, Hexagones, Octagons, Rails, Joists, Channels, Steel Strips, Sheets, Plates, Deformed bars, Plain and Cold Twisted Bars, Bright Bars, Shafts and Steel Structures.

71. To search, prospect, win, work, get, raise, quarry, smelt, refine, dress, manufacture, manipulate, convert, make merchantable, sell, buy, import, export or otherwise deal in iron ore, all kinds of metal, metalliferous ores, and all other minerals and substances whatsoever and to manufacture, sell, buy, import, export and otherwise deal in any of such articles and commodities.

72. To carry on the business of manufacturers, fitters, repairers of and dealers in, machinery and plant of every description and kind and in particular machine tools and implements, and to manufacture, produce, repair, alter, convert, recondition, prepare for sale, buy, sell, hire, import, export, let out on hire, trade and deal in machine tools and implements, other machinery, plant, equipment, article, apparatus, appliances, component parts, accessories, fittings and things in any stage or degree of manufacture, process or refinement.

73. To carry on business as manufacturers, and makers of, and dealers in metal, wood, enamel, aluminium, alloys and to carry on and conduct workshops and foundries of iron, brass and other metals, wood and any other substances, and to buy, sell, export, import, manipulate and deal, both wholesale and retail, in products, commodities, goods, articles and things of all kinds whatsoever.

74. To buy, sell, let on hire, repair, alter and deal in machinery, component parts, accessories and fittings of all kinds for motor and other things and all articles and things above referred to or used in, or capable of being used, in connection with the manufacture, maintenance and working thereof.

75. To carry on the trade or business of purchasing, hiring, or otherwise acquiring and making, building or manufacturing railway carriages and wagons, and other carriages, wagons, carts, trucks, lorries, motor-cars, boats, ships, aeroplanes, vehicles, locomotives, engines, tractors, tillers, bulldozers, road rollers, rolling stock and conveyances of all kinds whether for railway, tramway, road, air or marine or other traffic or purposes, and also rails and railways and tramways, plant and all machinery, materials and things applicable or used as accessories thereto and of letting or supplying all or any of the things hereinbefore specified; railway and other companies and other persons from year to year or for a term of years, or otherwise at annual or other rents, and of repairing and maintaining the same respectively whether belonging to the Company or not and of selling, exchanging and otherwise dealing in the same respectively.

76. To manufacture, repair and deal in forgings, castings, projectiles, plates, boilers, engines, stoves, screws, nails, sewing machines, machinery, presses, implements, gears, motor cars, tools and engineering and supplies of all kinds, motor lorries, omnibuses, coaches, tram cars, locomotives and other vehicles, aeroplanes, seaplanes, airships and other aircrafts, ironmongery and hardware and wireless goods.

77. To carry on the business of metal founders, mechanical engineers, and manufacturers of agricultural implements and other machinery, tool-makers, brass founders, metal-workers, boiler-makers, mill-wrights, machinists, iron and steel converters, smiths, wood workers, builders, painters, metallurgists, water supply engineers, gas makers, farmers, printers, carriers, and merchants and to buy, sell, manufacture, repair, convert, alter, let on hire, and deal in machinery, implements and rolling stock.

78. To manufacture, construct, fabricate, assemble, sell, purchase, hire, let on hire, import, export, service, alter, repair, and deal in all kinds of vehicles including, but not limited to, motor cars, trucks, lorries, tractors, tanks, ships, submarines, aircrafts, spacecrafts, seaplanes, rockets, rail wagons and all other vehicles used for the transport or conveyance of passengers, merchandise and goods of every description or used for any other purpose and whether used on road, underground, in air, space or water as also in plant, machinery, equipment, accessories, spare parts, component parts, appliances, tools and apparatus necessary or useful for or in connection with all kinds of vehicles.

79. To carry on in India and elsewhere the trades or business of iron-masters, steel makers, steel converters, manufacturers of ferro-manganese, colliery proprietors, coke manufacturers, miners, smelters, engineers, tin plate makers and iron founders, in all their respective branches.

80. To search for, get, work, raise, make merchantable, sell and deal in iron, coal, ironstone, limestone, manganese, ferro-manganese, magnesite clay, fire-clay, brick earth, bricks and other metals, minerals and to manufacture and sell briquettes and other fuel and generally to undertake and carry on any business, transaction or operation commonly undertaken or carried on by explorers, prospectors, or concessionaires and to search for, win, work, get, calcine, reduce, amalgamate, dress, refine and prepare for the market any quartz and ore mineral substances, and to buy, sell, manufacture and deal in minerals and mineral products, plant and machinery and other things, capable of being used in connection with mining or metallurgical operations or required by the workmen and others employed by the Company.

81. To carry on the business of a waterworks company in all its branches, and to sink wells and shafts, and to make, build and construct, lay down and maintain reservoirs, water-works, Cisterns culverts, filterbeds, main and other pipes and appliances, and to execute and to do all others and things necessary or convenient for obtaining, storing, selling, delivering, measuring, distributing and dealing in water.

82. To carry on business as timber merchants, sawmill proprietors and timber growers, and to buy, sell, grow, prepare for market manipulative, import, export and deal in timber and wood of all kinds and to manufacture and deal in articles of all kinds, in the manufacture of which timber or wood is used and to buy, clear, plant and work timber estates.

83. To construct, purchase, take on lease or otherwise, acquire, any, or other ways, and to equip, maintain, work and develop the same by electricity, steam, oil, gas, petroleum, horse or any other motive power, and to employ the same in conveyance of passengers and to authorise the Government of India, or any Local Government or any municipal or local authority, company or persons, to use and work the same or any part thereof and to lease or sell and dispose of the same or any part thereof.

84. To carry on the business of an Investment Company or an Investment Trust Company and to undertake and to transact all kinds of trust and agency. To carry on business as financiers and for that purpose to invest money and negotiate loans in any form or manner, to draw, accept, endorse, discount, buy, sell, and deal in bills of exchange, hundies, promissory notes and other negotiable instruments and securities and also to issue on commission, to subscribe for, undertake, acquire and hold, sell and exchange and deal in shares, stocks, bonds or debentures or securities of any Government or public authority or company, gold, silver, and bullion, and to form, promote, subsidise and assist companies, syndicates and partnerships of all kinds to project, promote and to start industries and also to give any guarantee for payment of money or performance of any obligation or undertaking and to undertake and execute any trust, but not to carry on the business of banking or insurance within the purview of the Banking Regulation Act, 1949, or the Insurance Act, 1938.

85. To carry on the business as merchants, traders, commission agents, brokers, adathas, or in any other capacity in India or elsewhere and to import, export, buy, sell, barter, exchange, pledge, mortgage, advance upon or otherwise deal in goods, produce, articles and merchandise of any kind.

86. To carry on in all their respective branches all or any of the business as of builders, masonry and general construction contractors and hauliers and among other things, to construct, execute, carry out, equip, improve, work and advertise, docks, harbours, wharves, canals, water-courses, reservoirs, embankments, irrigations, reclamations, sewage, drainage and other sanitary works, water, gas, electric and other supply works, houses, buildings, erection of every kind and to carry on any other business in connection with the above mentioned businesses that are customary or usually carried in connection therewith or naturally incidental thereto.

87. To purchase, manufacture, construct, erect, fabricate, build, press, stamp, draw, pin, furnish, equip, repair, utilize, procure, refine, mine or otherwise acquire, own, hold, use, sell, assign, transfer, or otherwise dispose of, trade, deal in and deal with any and all kinds of metals and source materials, ingredients, mixtures, derivatives, and compounds thereof, and any and all kinds of products of which any of the foregoing constitutes an ingredient or in the production of which any of the foregoing is used, including but not limited to mechanical and electrical machinery, apparatus, equipment, implements, devices, fixtures, supplies and accessories and castings and forgings.
88. To carry on business as manufacturers of and dealers in, all types of containers, receptacles, boxes, cartons, cages, drums, cages, bins, jars, carboys, tubes, crates, packing cases, cans, bottles, vials and fittings thereof of every kind and to manufacture and deal in plastic, bakelite, celluloid, glass, wood, plywood, hard-board, straw-board and boards of all other description and any other material whether chemically treated or not, used for packaging or for the manufacture of any of the aforesaid articles.
89. To carry on business as manufacturers, founders and suppliers of and dealers in, aluminium castings boxes, fittings, powder, foil, solder, and aluminium wares of all descriptions.
90. To undertake and execute any contracts for works involving the supply or use of any machinery, and to carry out any ancillary or other works comprised in such contracts.
91. To carry on business as manufacturers and importers, of, and dealers in asbestos, cement bricks, stone, asphalt, curtains, slabs, tiles, fibres, packing, roofing building materials and builders and equipment and road making materials.
92. To carry on business of chemists, druggists, dyers, oil and colourmen, importers and manufacturers of and dealers in pharmaceuticals, medicinal, chemical, industrial and other preparations and articles, compounds, cements, oil paints, pigments, varnishes, drugs, dye-ware, paint and colour grinders, makers of and dealers in proprietary articles of all kinds, and of electrical, chemical, photographic, surgical and scientific apparatus and materials.
93. To provide and conduct refreshment rooms, news paper rooms, reading rooms, writing rooms, dressing rooms, telephone and other conveniences for the use of customers and others.
94. To transact all kinds of agency business.
95. To undertake the custody and warehousing of merchandise, goods and materials and to provide cold storage and other special storage facilities.
96. To undertake any advisory, consultancy, accountancy, clerical or similar work.

97. To do, perform, undertake, carry out and execute as manufacturers or dealers or traders in all activities, works, means and operations connected in whatsoever manner with agriculture, agricultural produce and agricultural operations or agro-industries or which may directly or indirectly promote, extend, intensify, improve, support or maintain agriculture, agricultural produce or agricultural operations, or agro-industries which may directly maintain agriculture, agricultural produce or agricultural operations or which may increase or facilitate the production or distribution of agricultural produce and in particular, to undertake the following activities, works and means and operations :

- (a) mechanisation of agriculture and agricultural operations;
- (b) processing of agriculture, agricultural operations or agricultural produce and industries connected therewith;
- (c) construction of warehouses, godowns and silos, and of buildings and structures for storage, preservation and protection of agricultural produce and materials, articles and things required for or in connection with the carrying on of agricultural activities or operations;
- (d) transport and conveyance by land, water or air of agricultural produce and other materials, articles and things required for or connected with the carrying on of agricultural activities or operations;
- (e) construction of markets and other works to promote the sale and distribution of agricultural produce;
- (f) promotion, establishment and maintenance of food industries;
- (g) production, supply and distribution of agricultural produce;
- (h) production, supply and distribution of fertilisers and pesticides and ploughs, tractors, machinery equipment, tools and implements of all kinds and descriptions required or used for the purposes of agriculture and agricultural operations and activities ;
- (i) purchase, sale, breeding and rearing of livestock and animals and
- (j) growing, improving, preserving and maintaining of forests, forest products and other forest wealth.

The expressions "agriculture", "agricultural produce" and "agricultural operations" occurring in this clause shall include the following :

- (a) horticulture, forestry, horse-breeding, cattle, breeding, animal husbandry, dairy, farming, seed farming, pisciculture, piggery and poultry farming;
- (b) Ploughing and cultivation of land and planting and farming;
- (c) business and activities normally carried on by agriculturists, farmers and plants;

- (d) business as agriculturists, farmers and planters and as producers of, dealers and traders in and as general merchants, exporters, importers, buyers and sellers of all kinds of agricultural produce;
- (e) improving of land and irrigation thereof; providing of water to agriculturists, farmers and planters; building of dams and bunds; installation of pump sets and lift irrigation and construction of wells, including tube wells, canals, aqueducts and reservoirs;
- (f) actual work and all operations done in fields and on land at all stages from sowing and ploughing till reaping and harvesting of crops and all other incidental, related and necessary activities;
- (g) construction of farms, farm houses, abattoirs, freezing houses, warehouses, sheds and other buildings for storing agricultural produce;
- (h) providing and spraying of pesticides;
- (i) processing and preservation of agricultural produce;
- (j) production, processing, marketing, sale and distribution of agricultural produce;
- (k) production, marketing, sale and distribution, of manures, fertilizers, pesticides, agricultural tools and implements;
- (l) rice, wheat, grain, cereals, seeds, nuts, fruits, vegetables, sugarcane, spices, tea, coffee, cinchona, rubber, timber, tobacco, cotton, jute and every other produce of the soil and of forests.
- (m) dairy, farm and garden produce of all kinds and in particular milk, cream, butter, cheese and eggs;
- (n) all kinds of vegetable products, oils, starch, sugar, glucose and all other allied products, bye-products and compounds thereof;
- (o) cattle, cows, sheep, pigs, poultry, fish, game and other live and dead stock, meat, beef, pork and sausage;
- (p) hides, fat, tallow, grease and products containing any one or more of them;
- (q) food, foodstuff and edible things and provisions of all kinds and descriptions, and
- (r) timber and wood of all kinds and description.

98. To undertake, carry out, promote and sponsor rural development including any programme for promoting the social and economic welfare of, or the uplift of the public in any rural area and to incur any expenditure on any programme of rural development and to assist the execution and promotion thereof either directly or through an association or institution or through an independent agency or in any other manner. Without prejudice to the generality of the foregoing, programme of rural development shall also

include any programme for promoting the social and economic welfare of or the uplift of the public in any rural area which the Directors consider likely to promote and assist rural development, and that the words "rural area" shall include such areas as may be regarded as rural areas under Section 35 CC of the Income Tax Act, 1961, or any other law relating to rural development for the time being in force or as may be regarded by the Directors as rural areas and the Directors may at their discretion in order to implement any of the above mentioned objects or purposes transfer without consideration or at such fair or concessional value as the Directors may think fit and subject to the provisions of Companies Act, 1956, divest the ownership of any property of the Company to or in favour of such association or institution or any Public or Local Body or Authority, or Central or State Government or any public institutions, or Trusts or Funds as the Directors may approve.

99. To undertake, carryout, promote and sponsor or assist any activity for the promotion and growth of national economy and for discharging what the Directors may consider to be social and moral responsibilities of the Company to the public or any section of the public as also any activity which the Directors consider likely to promote national welfare or social, economic or moral uplift of the public or any section of the public and in such manner and by such means as the Directors may think fit and the Directors may without prejudice to the generality of the foregoing, undertake, carry out, promote and sponsor any activity for publication of any books, literature, newspapers, etc., or for organising lectures or seminars likely to advance these objects or for giving merit awards, for giving scholarships, loans or any other assistance to deserving students or other scholars or persons to enable them to prosecute their studies or academic pursuits or researches and for establishing, conducting, or assisting any institution, fund trust, etc., having any one or more of the aforesaid objects as one of its objects, by giving donations or otherwise in any other manner and the Directors may at their discretion in order to implement any of the above mentioned objects or purposes transfer without consideration or at such fair or concessional value as the Directors may think fit and subject to the provisions of Companies Act, 1956, divest the ownership of any property of the Company to or in favour of any Public or Local Body or Authority or Central or State Government or any public institutions or Trusts or Funds as the Directors may approve.

And it is hereby declared that -

[i] the objects incidental or ancillary to the attainment of main objects of the Company as aforesaid shall also be incidental or ancillary to the attainment of the objects of the Company herein mentioned;

[ii] the word "company" [save when used with reference to this Company] in this Memorandum shall be deemed to include any partnership or other body or association of persons whether incorporated or not and wherever domiciled;

[iii] the objects set forth in each of the several clauses of paragraph III shall have the widest possible construction and shall extend to any part of the world;

[iv] subject to the provisions of the Companies Act, 1956, the objects set forth in any clause of sub-paragraph [C] above shall be independent and shall be in no wise limited or restricted by reference to or inference from the terms of any of the clauses of sub-paragraph [A] or by clauses in sub-paragraph [C] or the objects therein specified or the powers thereby conferred shall be deemed subsidiary or auxiliary merely to the objects mentioned in any of the clauses of sub-paragraph [A];

[v] nothing in this paragraph shall authorise the Company to do any business which may fall within the purview of the Banking Regulation Act, 1949, or the Insurance Act, 1938.

IV. The liability of the members is limited.

V. The Authorised Share Capital of the Company is Rs.400,000,000 (Rupees Four Hundred Million) divided into 40,000,000 (Forty Million) Equity shares of Rs.10 (Rupees Ten) each, with power to increase or reduce such capital from time to time, in accordance with the Regulations of the Company and the law for the time being in force in this behalf and with power to divide the shares in the capital, for the time being into Equity Share Capital and/or Preference Share Capital and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions. If and whenever the Capital of the Company is divided into shares of different classes, the rights of any such class may be varied, modified, effected, extended, abrogated or surrendered as provided in the Articles of Association of the Company and the law for the time being in force.

PROVIDED HOWEVER that where the Central Government has made an Order under Sub-section 4 of Section 81, directing that any debenture issued by the Company or loan taken by the Company or any part thereof shall be converted into shares of the Company or where in pursuance of an option attached to debentures issued to or loans raised by the Company from any Financial Institution, such Financial Institution has proposed to convert such debentures or loans or any part thereof into shares of the Company and on the application of such Public Financial Institution, the Central Government shall make any order under Section 94-A of the Act for increasing the Share Capital of the Company, the Authorised Share Capital of the Company shall stand increased by an amount equal to the amount of the value of the shares into which such debentures or loans or part thereof has been converted.

We, the several persons whose names and addresses are subscribed, are desirous of being formed into a Company in pursuance of this Memorandum of Association, and we respectively agree to take the number of Shares in the Capital of the Company set opposite our respective names :

Name, address, description and occupation of each subscriber	Number of Shares taken by each Subscriber	Name, address, description and occupation of Witness
Sd/- Bhalchandra B. Hattarki Son of Dasappa Hattarki 25 Gajanan Housing Society PUNE 411 016. INDUSTRIALIST	1 (One) Equity	Sd/- Dhondu Gade Son of Shridhar Gade Flat No. 203, Ruby Building Kharivade, Pimpri PUNE 411 018. SERVICE
Sd/- Mrs. Subochana N. Kalyani Wife of Neelkanth Kalyani 221/D, Kalyani Nagar PUNE 411 014. INDUSTRIALIST	1 (One) Equity	
Sd/- Mrs. Sumita B. Kalyani Wife of Babasaheb Kalyani 221/ABCD Kalyani Nagar PUNE 411 014. INDUSTRIALIST	1 (One) Equity	
Sd/- Mrs. Sukunda Bhalchandra Hattarki Wife of Bhalchandra Hattarki 25 Gajanan Housing Society PUNE 411 016. INDUSTRIALIST	1 (One) Equity	
Sd/- Mrs. Surokha S. Hattarki Wife of Suresh Hattarki A1/11 Agrasen Housing Society Koregaon Road, PUNE 411 001 INDUSTRIALIST	1 (One) Equity	
Sd/- Mrs. Lata U. Hattarki Wife of Uday S. Hattarki 301/11 River-View Apts 324, Koregaon Park Road, PUNE 411 001. INDUSTRIALIST	1 (One) Equity	
Sd/- Mohan Umakant Takale Son of Umakant Takale 24/11, Shaniwar Peth Kalyani Hdd, KARAD - 415 110. INDUSTRIALIST	1 (One) Equity	
TOTAL	7 (Seven)	

PUNE Dated the 24th day of June 1985.

ARTICLES OF ASSOCIATION
OF
SHARP INDIA LIMITED

These Articles of Association were unanimously approved and adopted by a Special Resolution at the Extraordinary General Meeting held on the 29th July, 1985

SHARP INDIA LIMITED

Special Resolution unanimously passed by the Members of the Company at their Extraordinary General Meeting held on 29th July, 1985.

"RESOLVED THAT THE REGULATIONS CONTAINED IN THE NEW SET OF ARTICLES OF ASSOCIATION OF THE COMPANY (INCLUSIVE OF THE EXISTING ARTICLE NOS. 3, 6, 8, 9, 10, 11 & 12) AS PER THE DRAFT SUBMITTED TO THIS MEETING, AND FOR THE PURPOSE OF IDENTIFICATION, INITIALED BY THE CHAIRMAN THEREOF, BE AND ARE HEREBY APPROVED AND ADOPTED AS THE ARTICLES OF ASSOCIATION OF THE COMPANY, IN SUBSTITUTION FOR, AND TO THE EXCLUSION OF, ALL THE EXISTING ARTICLES THEREOF."

ARTICLES OF ASSOCIATION OF

2 SHARP INDIA LIMITED

TABLE 'A' EXCLUDED

1. No regulations contained in Table 'A' in the First Schedule to the Companies Act, 1956, or the Schedule to any previous Companies Act, shall apply to this Company, but the regulations for the management of the Company and for the observance of the members thereof and their representatives, shall, subject to any exercise of the statutory powers by the Company with reference to the repeal or alteration of, or addition to, its regulations by Special Resolution, as prescribed by the said Companies Act, 1956, be such as are contained in the said Articles.
- Table 'A' not to apply but Company to be governed by these Articles.

INTERPRETATION

2. In the interpretation of these Articles, the following expressions shall have the following meanings, unless repugnant to the subject or context :
- Interpretation.

"The Act" - means the Companies Act, 1956, (Central Act 1 of 1956) or any statutory modification or re-enactment thereof for the time being in force;

The Act.

"Auditors" - means and includes the persons appointed as such for the time being under the provisions of Sections 224 and 224A of the Act. Auditors.

DELETED.

~~Deleted by Special Resolution passed at the Extraordinary General Meeting held on April 19, 2005.~~

"Board of Directors" or "Board" in relation to the Company means the Directors of the Company. means the Directors.

"Board Meeting" - means a meeting of the Directors duly called and constituted in accordance with these Articles. Board Meeting.

"Capital" - means the share capital, for the time being raised or authorised to be raised for the purpose of the Company. Capital.

"The Chairman" - means the Chairman of the Board of Directors, for the time being, of the Company. Chairman.

"The Company" - and "this Company" - means Sharp India Limited. The Company.

"Debenture" - includes Debenture stock, bonds and any other securities of the Company, whether constituting a charge on the assets of the Company or not. Debenture.

"Directors" - means the Directors, for the time being, of the Company elected, appointed or nominated as such, in accordance with Directors.

the provisions of these Articles.

Dividend.	"Dividend" - includes bonus.
Documents.	"Documents" - includes summons, notice, requisition, order, other legal process and registers, whether issued, sent or kept in pursuance of this or any other Act or otherwise.
Executor or Administrator.	"Executor" or "Administrator" - means a person who has obtained probate or letter of administration, as the case may be, from a competent court.
In writing and written.	"In writing" and "written" - include printing, lithography and other modes of representing or reproducing words in a visible form, including telex, telegram.
Marginal Notes.	The marginal notes used in these Articles shall not affect the construction thereof.
Members.	"Members" - means the duly registered holders, from time to time, of the shares of the Company and includes the subscribers to the Memorandum of the Company.
Meeting or General Meeting.	"Meeting" or "General Meeting" - means a meeting of the members duly called and constituted in accordance with these Articles and any adjourned holding thereof.
Annual General Meeting.	"Annual General Meeting" - means a general meeting of the members held in accordance with the provisions of Section 166 of the Act, and any adjourned holding thereof.
Extraordinary General Meeting.	"Extraordinary General Meeting" - means an Extraordinary general meeting of the members duly called and constituted and any adjourned holding thereof.
Month.	"Month" - means a calendar month.
Office.	"Office" - means the Registered Office, for the time being, of the Company.
Ordinary Resolution.	"Ordinary Resolution" - shall have the meaning assigned to it by Section 189 of the Act.
Paid-up.	"Paid-up" - includes credited as paid up.
Persons.	"Persons" - includes individuals, any Company or association or body of individuals whether incorporated or not.
Proxy.	"Proxy" - means an instrument whereby any person is authorised to vote for a member at the general meeting or poll.
The Register of Members.	"The Register of Members" - means the Register of Members to be kept pursuant to Section 150 of the Act.

"The Registrar" - means the Registrar of Companies, Maharashtra.

The Registrar.

"Seal" - means the Common Seal, for the time being, of the Company.

Seal.

"Secretary" - means any individual possessing the prescribed qualifications appointed to perform the duties which may be performed by a Secretary under the Act and any other ministerial or administrative duties.

Secretary.

"Shares" - means the shares into which the capital of the Company is divided and the interest corresponding with such shares.

Shares.

"SHARP" shall for the purposes of these Articles mean SHARP CORPORATION having its principal office at 22-22, Nagaike-cho, Abeno-ku, Osaka, Japan and include its wholly owned subsidiaries and its successors and assigns in business.

SHARP.

"Special Resolution" - shall have the meaning assigned thereto by Section 189 of the Act.

Special Resolution.

"The Statutes" - means the Companies Act, 1956, and every other Act, for the time being in force, affecting the Company.

The Statutes.

"Year" - means the calendar year and

Year.

"Financial Year" - shall have the meaning assigned thereto by Section 2(17) of the Act.

Financial Year.

Words importing the masculine gender also include the feminine gender.

Gender.

Words importing the singular number includes, where the context admits or requires, the plural number and vice versa.

Singular number.

Unless the context otherwise requires, words and expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modifications thereof, for the time being, in force.

Expressions in the Act to bear the same meaning in Articles.

CAPITAL

3 (a)

Capital.

The Authorised Share Capital of the Company is Rs.400,000,000 (Rupees Four Hundred Million) divided into 40,000,000 (Forty Million) Equity Shares of Rs.10 (Rupees Ten) each, with power to increase or reduce such capital from time to time, in accordance with the Regulations of the Company and the law for the time being in force in this behalf and with power to divide the shares in the capital, for the time being into Equity Share Capital and/or Preference Share Capital and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions. If and whenever the Capital of the Company is divided into shares of different classes, the rights of any such class may be varied, modified, effected, extended, abrogated or surrendered as provided in the Articles of Association of the Company and the law for the time being in force.

Substituted by
Special Resolution
passed at the
Extraordinary General
Meeting held on
June 20, 1994.

PROVIDED HOWEVER that where the Central Government has made an Order under Sub-section 4 of Section 81, directing that any debenture issued by the Company or loan taken by the Company or any part thereof shall be converted into shares of the Company or where in pursuance of an option attached to debentures issued to or loans raised by the Company from any Financial Institution, such Financial Institution has proposed to convert such debentures or loans or any part thereof into shares of the Company and on the application of such Public Financial Institution, the Central Government shall make any order under Section 94-A of the Act for increasing the Share Capital of the Company, the Authorised Share Capital of the Company shall stand increased by an amount equal to the amount of the value of the shares into which such debentures or loans or part thereof has been converted.

Preference shares.
Rights of holders.

(b)

The holders of Preference Shares shall be entitled to be paid out of the profits which the Directors shall determine to distribute by way of dividend, a fixed cumulative preferential dividend at the rate of thirteen and one-half percent, per annum (free of Company's tax but subject to deduction of tax at source at the prescribed rates) on the amount credited as paid up thereon or such higher dividend as the Board may determine from time to time in respect of such issue of Redeemable Cumulative Preference Shares, but not exceeding the rate of dividend prescribed under the law or any other Regulations relating to the dividends on Preference Shares as may be in force from time to time and to the right, on winding up, to be paid all arrears of preferential dividend whether earned or declared or not, down to the commencement of the winding up, and also to be repaid the amount of Capital paid or credited as paid up on the Preference Shares held by them respectively in priority to any payment in respect of Equity Shares, but shall not be entitled to any other rights in the profits or assets of the Company.

Subject as aforesaid and to the rights of the holders of any other shares entitled by the terms of issue to preferential repayment over the Equity Shares in the event of the winding up of the Company, the holders of the Preference Shares shall be entitled to be repaid the amounts of Capital paid up or credited as paid up on such shares, and all surplus assets thereafter shall belong to the holders of the Equity Shares in proportion to the amount paid up or credited

as paid up on such Equity Shares respectively at the Commencement of the winding up.

- (c) Subject to the provisions of Section 80 of the Act and the regulations in force from time to time relating to the issue, redemption etc. of Preference Shares, Cumulative Redeemable Preference Shares may be issued by the Board of Directors on such terms and conditions as it may determine. Such Preference Shares shall be redeemed, as the Board of Directors may determine, in accordance with the terms and conditions of the issue.

- (d) The Cumulative Redeemable Preference Shares shall not confer on the holders thereof the right to vote either in person or by proxy at any General Meeting of the Company save to the extent and in the manner provided by Section 87 (2) of the Act.

- (f) The rights, privileges and conditions, for the time being, attached to the Cumulative Redeemable Preference Shares may be varied, modified or abrogated in accordance with the provisions of these Articles and of the Act.

4. (a) The Company in general meeting may, by Special Resolution, from time to time, increase the Capital by creation of new shares and of such aggregate amount and to be divided into shares of such respective amounts as the Resolution shall prescribe. The new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the Resolution shall prescribe, and in particular, such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at general meeting of the Company in conformity with Sections 87 and 88 of the Act.
- Increase of
Capital by the
Company and how
carried into
effect.

- (b) Whenever the Capital of the Company has been increased under the provisions of this Article, the Company shall file with the Registrar, notice of the increase of Capital as required by Section 97 of the Act, within thirty days of the passing of the Resolution authorising the increase, or of the receipt of the Order of the Central Government or consequent upon an Order made by the Central Government under Section 94A of the Act.

5. Neither the original Capital nor any increased Capital shall be of more than two kinds, namely (i) Equity Share Capital and (ii) Preference Share Capital, as defined in Section 85 of the Act.
- Capital of Two
kinds only.

- 5 (a) In the event it is permitted by law to issue non-voting shares or shares which have rights attached thereto different from the rights attached to equity or preference shares, or any other kind, class or type of shares, the directors may notwithstanding the provisions of Article 5, issue such shares upon such terms and conditions and with such rights and privileges attached thereto as the Board may decide having regard to the applicable provisions of law for the time being in force.
- Shares with
Non Voting /
Other Rights
Involved by Special
Resolution passed
at the Extraordinary
General Meeting
held on June 20,
1994

to the provisions herein contained with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

Redeemable
Preference Shares.

7. Subject to the provisions of Section 80 of the Act, the Company shall have the power to issue Preference Shares which are or at the option of the Company are to be liable to be redeemed and the Resolution authorising such issue shall prescribe the manner, terms and conditions of redemption.

Provisions to apply
on issue of Redeem-
able Preference
Shares.

8. On the issue of Redeemable Preference Shares under the provisions of Article 7 hereof, the following provisions shall take effect:

(a) No such shares shall be redeemed except out of profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purposes of the redemption.

(b) No such shares shall be redeemed unless they are fully paid.

(c) The premium, if any, payable on redemption shall have been provided for out of the profits of the Company or out of the Company's Share Premium Account before the shares are redeemed.

(d) Where any such shares are redeemed otherwise than out of the proceeds of fresh issue, there shall, out of the profits which would otherwise have been available for dividend, be transferred to a reserve fund to be called 'The Capital Redemption Reserve Account', a sum equal to the nominal amount of the shares redeemed and the provisions of the Act relating to the reduction of the Share Capital of the Company shall, except as provided in Section 80 of the Act apply, as if the Capital Redemption Reserve Account were paid up Share Capital of the Company.

(e) Subject to the provisions of Section 80 of the Act, the redemption of Preference Shares hereunder may be affected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit.

Reduction of
Capital.

9. The Company may (subject to the provisions of Sections 78, 80 and 100 to 105, both inclusive, and other applicable provisions, if any, of the Act) from time to time, by Special Resolution, reduce (a) its Share Capital (b) any Capital Redemption Reserve Account or (c) any Share Premium Account, in any manner for the time being authorised by law, and in particular, Capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.

10. Subject to the provisions of Section 94 of the Act, the Company in general meeting, may, from time to time, by an Ordinary Resolution, alter the conditions of its Memorandum as follows :

Consolidation,
division, sub-divi-
sion and cancella-
tion of shares.

(a) Consolidate and divide all or any of its Capital into shares of larger amount than its existing Shares

(b) Sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum, so however, that in the sub-division, the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived;

(c) Cancel any shares which, at the date of the passing of the Resolution in that behalf have not been taken or agreed to be taken by any person and diminish the amount of its Share Capital by the amount of the shares so cancelled. A cancellation of shares in pursuance of this sub-clause shall not be deemed to be a reduction of Share Capital within the meaning of the Act.

Whenever the Company shall do any one or more of the things provided for in the foregoing sub-clauses (a), (b) and (c), the Company shall, within thirty days thereafter, give notice thereof to the Registrar, as required by Section 95 of the Act, specifying, as the case may be, the share consolidated, divided, sub-divided or cancelled.

Modification of
rights.

11. Whenever the Capital, by reason of the issue of Preference Shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Sections 106 and 107 of the Act, be varied, modified, commuted, affected or abrogated, or dealt with the consent in writing of the holder of not less than three fourth of the issued capital of that class, or with the sanction of a Special Resolution passed at a separate general meeting of the holders of shares of that class, and all the provisions hereafter contained as to general meetings shall, mutatis mutandis, apply to every such meeting. This Article is not to derogate from any power the Company would have, if this Article was omitted.

The rights conferred upon the holders of the shares (including Preference Shares, if any) of any class issued with preferred or other rights or privileges, shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking pari passu therewith.

SHARES AND CERTIFICATES

Register and
Index of members
and debenture
holders.

12. The Company shall cause to be kept a Register and an Index of Members in accordance with Sections 150 and 151 of the Act and whenever applicable, a Register and an Index of Debenture holders, in accordance with Section 152 of the Act. The Company shall be entitled to keep in any State or Country outside India, a Branch Register of Members or Debenture Holders resident in that State or Country, and the Directors may, subject to Sections 157 and 158 of the Act, make and vary such regulations as they may think fit in regard to the keeping of any such foreign register.

Shares to be
numbered progres-
sively and no
share to be sub-
divided.

13. The shares in the Capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned, no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number of which the same was originally distinguished.

Restriction on
allotment and
Return of
allotment.

14. The Board of Directors shall observe the restrictions as to allotment of shares to the public, contained in Sections 69 and 70 of the Act, and shall cause to be made the Returns as to allotment provided for in Section 75 of the Act.

Further issue
of Capital.

15. (1) Where, at any time, it is proposed to increase the subscribed Capital of the Company by allotment of further shares, whether out of unissued Share Capital or out of increased Share Capital.

(a) Such further shares shall be offered to the persons, who, at the date of the offer, are holders of the equity shares of the Company in proportion, as nearly as circumstances admit, to the Capital paid up on those shares at that date;

(b) Such offer shall be made by a notice specifying the number of shares offered and limiting a time not being less than fifteen days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined;

(c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in sub-clause (b) hereof shall contain a statement of this right; PROVIDED THAT the Directors may decline, without assigning any reason, to allot any shares to any person in whose favour any member may renounce the shares offered to him;

(d) After the expiry of the time specified in the aforesaid notice, or on receipt of earlier intimation from the

person to whom such notice is given, that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner as they think most beneficial to the Company.

- (2) Notwithstanding anything contained in sub-clause (1) hereof, the further shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in sub-clause (a) of clause (1) hereof) in any manner whatsoever :-

- (a) If a Special Resolution to that effect is passed by the Company in general meeting; or
- (b) where no such Special Resolution is passed, if the votes cast (whether on a show of hands, or on a poll, as the case may be) in favour of the proposal contained in the Resolution moved in that general meeting by members, who, being entitled so to do, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by members, so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the Company.

- (3) Nothing in sub-clause (a) of clause (1) hereof shall be deemed-
- (a) to extend the time within which the offer should be accepted, or

- (b) to authorise any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.

- (4) Nothing in this Article shall apply to the increase of the subscribed Capital of the Company caused by the exercise of an option attached to the debentures issued or loans raised by the Company :-

- (i) to convert such debentures or loans into shares in the Company; or
- (ii) to subscribe for shares in the Company (whether such option is concerned in these Articles or otherwise); PROVIDED that the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term -

- (a) either has been approved by the Central Government before the issue of the debentures or the raising of

the loans, or is in conformity with the rules, if any, made by that Government in this behalf; and

- (b) in the case of the debentures or loans other than debentures issued to, or loans obtained from, the Government or any institution specified by the Central Government in this behalf has also been approved by a Special Resolution passed by the Company in general meeting before the issue of the debentures or the raising of the loans.

Shares under
control of
Directors.

16. Subject to the provisions of these Articles and of the Act, the shares shall be under the control of the Directors who may allot or otherwise dispose of the same to such persons in such proportion on such terms and conditions and at such times, as they think fit and with full power, subject to the sanction of the Company in general meeting, to give any person the option to call for or be allotted shares of any class of the Company, either at a premium or at par or at a discount, subject to the provisions of Sections 78 and 79 of the Act and for such time and for such consideration as the Directors think fit.

Application of
Premium received
on Shares.

17. (1) Where the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount or value of the premium on these shares shall be transferred to an account, to be called "THE SHARE PREMIUM ACCOUNT" and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in this clause, apply as if the Share Premium Account were paid up share capital of the Company.

(2) The Share Premium Account may, notwithstanding clause (1) hereof be applied by the Company;

- (a) in paying up unissued shares of the Company, to be issued to the members of the Company as fully paid bonus shares;
- (b) in writing off the preliminary expenses of the Company;
- (c) in writing off the expenses of or the commission paid or discount allowed, on any issue of shares or debentures of the Company, or
- (d) in providing for the premium payable on the redemption of any Redeemable Preference Shares or of any debentures of the Company.

Power also in
Company in General
meeting to issue
shares.

18. In addition to and without derogating from the powers for that purpose conferred on the Board under Articles 16 and 17, the Company, in General Meeting, may, subject to the provisions of Sections 81 and 108A of the Act, determine that any shares (whether forming part of the original Capital or of any increased Capital of the Company)

be offered to such persons (whether members or not) in such proportion and on such terms and conditions and either at a premium or at par or at a discount (subject to compliance with the provisions of Sections 78 and 79 of the Act) as such general meeting shall determine, and with full power to give any person, whether a member or not, the option to call for or be allotted shares of any class of the Company, either at a premium or at par or at a discount (subject to compliance with the provisions of Sections 78 and 79 of the Act) such option being exercisable at such time and for such consideration as may be directed by such general meeting or the Company in general meeting may make any other provisions whatsoever for the issue, allotment or disposal of any such shares.

19. The Company may issue at a discount, shares in the Company, of a class already issued, if the following conditions are fulfilled, namely :--

Shares at a discount.

(i) the issue of the shares at a discount is authorised by a Resolution passed by the Company in general meeting and sanctioned by the Company Law Board;

(ii) the resolution specifies the maximum rate of discount at which the shares are to be issued; and PROVIDED THAT no such resolution shall be sanctioned by the Company Law Board if the maximum rate of discount specified in the resolution exceeds ten per cent, unless that Board is of opinion that a higher percentage of discount may be allowed in the special circumstances of the case;

(iii) the shares to be issued at a discount are issued within two months after the date on which the issue is sanctioned by the Company Law Board or within such extended time as the Company Law Board may allow.

Installments on shares to be fully paid.

20. If, by the conditions of any allotment of any shares, the whole or any part of the amount or issue price thereof shall be payable by instalments, every such instalment shall, when due, be paid to the Company by the person who, for the time being, and from time to time, shall be the registered holder of the shares or his legal representative.

The Board may issue shares as fully paid-up.

21. Subject to the provisions of the Act and these Articles, the Board may allot and issue shares in the capital of the Company as payment of any property sold or transferred or for service rendered to the Company in the conduct of its business and any shares which may be so issued shall be deemed to be fully paid-up shares.

Acceptance of shares.

22. Any application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any share therein, shall be an acceptance of shares within the meaning of these Articles; and every person who thus or otherwise accepts any shares and whose name is therefore placed on the register shall, for the purpose of these Articles, be a member.

Deposit and Call
etc. to be a
debt payable.

23. The money (if any) which the Board of Directors shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them, shall immediately, on the inscription of the name of the allottee in the register of members as the name of the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

Liability of
Members.

24. Every member, or his, heirs, executors or administrators to the extent of his assets which come to their hands shall be liable to pay to the Company the portion of the capital represented by his share or shares which may, for the time being, remain unpaid thereon in such amounts, at such time or times, and in such manner as the Board of Directors shall from time to time, in accordance with the Company's regulations require or fix for the payment thereof.

Share Certificate.

25. (a) Every member or allottee of shares shall be entitled, without payment, to receive one certificate for all the shares of the same class registered in his name, specifying the name of the person in whose favour it is issued, the share certificate number and the distinctive number(s) of the shares to which it relates and the amount paid up thereon. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letters of acceptance or of renunciation or in cases of issue of bonus shares. PROVIDED THAT if the letter of allotment is lost or destroyed, the Board may impose such reasonable terms, if any, as it thinks fit, as to evidence and indemnity and the payment of out of pocket expenses incurred by the Company in investigating the evidence. The Certificates of title to shares shall be issued under the seal of the Company and shall be signed in conformity with the provisions of the Companies (Issue of Share Certificates) Rules, 1960 or any statutory modification or re-enactment thereof, for the time being in force. Printing of blank forms to be used for issue of share Certificates and maintenance of books and documents relating to issue of Share Certificates shall be in accordance with the provisions of the aforesaid rules. Such Certificates of title to shares shall be completed and kept ready for delivery within three months after the allotment unless the conditions of issue of shares provide otherwise.

(b) Any two or more joint allottees or holders of shares shall, for the purpose of this article, be treated as a single member and the certificate of any share, which may be subject to joint ownership, may be delivered to any one of such joint owners on behalf of all of them.

Renewal of share
Certificates.

26. (a) No certificate of any share or shares shall be issued either in exchange for those which are subdivided or consolidated

or in replacement of those which are defaced, torn or old, decrepit, worn out, or where the cages on the reverse for recording transfers have been duly utilized, unless the certificate in lieu of which it is issued, is surrendered to the Company.

- (b) When a new share certificate has been issued in pursuance of clause (a) of this Article, it shall state on the face of it and against the stub or counter-foil to the effect that it is "issued in lieu of share certificate No. sub-divided/replaced/on consolidation of shares".

- (c) If a share certificate is lost or destroyed, a new certificate in lieu thereof shall be issued only with the prior consent of the Board and on such terms, if any, as to evidence and indemnity as to the payment of out-of-pocket expenses incurred by the Company in investigating evidence, as the Board thinks fit.

- (d) When a new share certificate has been issued in pursuance of clause (c) of this Article, it shall state on the face of it and against the stub or counterfoil, to the effect that it is "duplicate issued in lieu of share certificate No. ". The word duplicate shall be stamped or punched in bold letters on the face of the share certificate.

- (e) Where a new share certificate has been issued in pursuance of clause (a) or clause (c) of this Article, particulars of every such share certificate shall be entered in a Register of Renewed and Duplicate Certificates indicating against the names of the persons to whom the certificate is issued, the number and date of issue of the share certificate in lieu of which the new certificate is issued, and the necessary changes indicated in the Register of Members by suitable cross references in the "Remarks" column.

- (f) No fee shall be charged for issue of new certificates in replacement of those which are old, decrepit or worn out or where the cages on the reverse for recording transfers have been fully utilized or for sub-division or consolidation of share certificates into lots of the market unit.

- (g) Notwithstanding anything contained under these Articles, no request for sub-division of Share Certificates or Letters of Allotment into denomination of less than 100 (one hundred) Shares may be accepted, except when such sub-division is required to be made to comply with a Statutory Order or an Order of a Competent Court of Law.

Substituted by
Special Resolution
passed at the
Seventh Annual
General Meeting
held on September
26, 1992.

- (h) All blank forms to be used for issue of share certificates shall be printed and the printing shall be done only on the authority of a resolution of the Board. The blank forms

shall be consecutively machine-numbered and the forms and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or of such other person as the Board may appoint for the purpose; and the Secretary or the other person aforesaid shall be responsible for rendering an account of these forms to the Board.

(i) The Managing Director of the Company for the time being or, if the Company has no Managing Director, every Director of the Company shall be responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of share certificates except the blank forms of share certificates referred to in sub-article (h).

(j) All books referred to in sub-article (i) shall be preserved in good order permanently.

Joint-holders

27.

(a) Where two or more persons are registered as the holders of any share, they shall be deemed to hold the same as joint tenants with benefits of survivorship subject to the following and other provisions contained in these Articles.

(b) The Company shall be entitled to decline to register more than four persons as the holders of any share.

(c) The joint-holders of any share shall be liable, severally as well as jointly, for and in respect of all calls and other payments which ought to be made in respect of such shares.

(d) On the death of any such joint-holder, the survivor or survivors shall be the only person or persons recognised by the Company as having any title to the share, but the Directors may require such evidence of death as they may deem fit and nothing herein contained shall be taken to release the estate of the deceased joint-holder from any liability on shares held by him jointly with any other person.

(e) Any of such joint-holders may give effectual receipts for any dividends or other moneys payable in respect of such share.

(f) Only the person whose name stands in the Register of Members as the first of the joint-holders of any shares shall be entitled to delivery of the certificate relating to such share or to receive notices from the Company and any notice given to such person shall be deemed proper notice to all joint-holders.

(g) Any one of two or more joint-holders may vote at any meeting either personally or by proxy in respect of such shares as if he were solely entitled thereto, and if more than one of such joint-holders be present at any meeting personally

or proxy, the holder whose name stands first or higher (as the case may be) on the Register of Members in respect of such share shall alone be entitled to vote in respect thereof.

Provided always that a person present at any meeting personally shall be entitled to vote in preference to a person present by proxy although the name of such person present by proxy stands first on the Register of Members in respect of such shares.

28. Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise, even when having notice thereof, any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles, otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof, but the Board shall be at liberty at their sole discretion, to register any share in the joint names of any two or more persons (but not exceeding 4 persons) or the survivor or survivors of them.

Company not bound to recognise any interest in share other than of registered holder.

29.

(a) Notwithstanding anything herein contained a person whose name is at any time, entered in the Register of Members of the Company as the holder of a share in the Company, but who does not hold the beneficial interest in such share, shall, within such time and in such form as may be prescribed make a declaration to the Company specifying the name and other particulars of the person or persons who hold the beneficial interest in such share in the manner provided in Section 187-C of the Act.

Declarations of persons not holding beneficial interest in shares.

(b) A person who holds a beneficial interest in a share or a class of shares of the Company shall, within the time prescribed after his becoming such beneficial owner, make a declaration to the Company specifying the nature of his interest, particulars of the person in whose name the shares stand in the Register of Members of the Company and such other particulars as may be prescribed as provided in Section 187-C of the Act.

(c) Whenever there is a change in the beneficial interest in a share referred to above, the beneficial owner shall, within the time prescribed from the date of such change make a declaration to the Company in such form and containing such particulars as may be prescribed as provided in Section 187-C of the Act.

(d) Notwithstanding anything contained in Section 153 of the Act and Article 29 hereof, where any declaration referred to above is made to the Company, the Company shall make a note of such declaration in the Register of Members and file within the time prescribed from the date of receipt

of the declaration a return in the prescribed form with the Registrar with regard to such declaration.

Funds of the Co. shall not be applied in purchase of shares of the company.

30. None of the funds of the Company shall, except as provided by Section 77 of the Act be employed in the purchase of its own shares, unless the consequent reduction of capital is effected and sanction in pursuance of Sections 78, 80 and 100 to 109 of the Act and these Articles or in giving either directly or indirectly and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person, of or for any share in the Company or in its holding Company.

UNDERWRITING AND BROKERAGE

Commission may be paid.

31. Subject to the provisions of Section 76 of the Act, the Company may, at any time, pay a commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolute or conditional) for any shares or debentures of the Company, but so that the commission shall not exceed in the case of shares, five per cent of the price at which the shares are issued and in the case of debentures, two and a half per cent of the price at which the debentures are issued. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or debentures, as the case may be, or partly in one way and partly in the other.

Brokerage.

32. The Company may, on any issue of shares or debentures, pay such brokerage as may be reasonable and lawful.

Commission to be included in the Annual return.

33. Where the Company has paid any sum by way of commission in respect of any shares or debentures or allowed any sums by way of discount in respect of any shares or debentures, such statement thereof shall be made in the Annual Return as required by Part I of Schedule V to the Act.

INTEREST OUT OF CAPITAL

Interest may be paid out of capital.

34. Where any shares are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings, or the provision of any plant, which cannot be made profitable for a lengthy period, the Company may pay interest on so much of that share capital as is for the time being paid up, for the period, at the rate and subject to the conditions and restrictions provided by Section 208 of the Act, and may charge the same to Capital as part of the cost of construction of the work or building or the provision of the plant.

CALLS

35. Subject to the provisions of Section 91 of the Act, the Board of Directors may, from time to time, by a Resolution passed at a meeting of the Board (and not by a circular resolution) make such calls as it thinks fit upon the members in respect of all moneys unpaid on the shares whether on account of the nominal value of the shares or by way of premium, held by them respectively and not by conditions of allotment thereof made payable at fixed time and each member shall pay the amount of every call so made on him to the person or persons and at the times and places appointed by the Board of Directors. A call may be made payable by instalments. A call may be postponed or revoked as the Board may determine.
36. Fourteen days' notice at the least, in writing, of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.
37. A call shall be deemed to have been made at the time when the resolution authorising such call was passed at a meeting of the Board of Directors and may be made payable by the members, whose names appear on the Register of members on such date or at the discretion of the Directors, on such subsequent date as shall be fixed by the Board of Directors.
38. No call shall exceed one-fourth of the nominal amount of the share or be made payable within two months after the last preceding call was payable.
39. The Board of Directors may, from time to time, at its discretion, extend the time fixed for the payment of any call, and may extend such times as to all or any of the members who, on account of residence at a distance or other cause, the Board of Directors may deem fairly entitled to such extension, but no member shall be entitled to such extension as of right except as a matter of grace and favour.
40. If by the terms of issue of any share or otherwise, any amount is made payable at any fixed time or by instalments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or instalment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or instalment accordingly.
41. If the sum payable in respect of any call or instalment be not paid on or before the day appointed for the payment thereof the holder for the time being or allottee of the share in respect of which the call shall have been made or the instalment shall be due, shall pay interest on the same at such rate not exceeding twelve percent per annum as Directors shall fix from the day appointed for the payment thereof to the time of actual payment, but the Directors may waive payment of such interest wholly or in part.

Directors may
make calls.

Notice of
calls.

Calls to date
from resolution.

Restrictions
on power to
make calls.

Directors may
extend time.

Amount payable at
fixed time or
by instalments
to be treated
as calls.

When interest on
call or instal-
ment payable.

Evidence in
actions by
Company against
share holders.

42. On the trial or hearing of any action or suit brought by the Company against any member or his legal representatives for the recovery of any moneys claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the member in respect of whose shares the money is sought to be recovered and entered on the register of members as the holder or as one of the holders at or subsequent to the date at which the money sought to be recovered is alleged to have become due, on the shares in respect of which such money is sought to be recovered, that the resolution making the call is duly recorded in the minute book; and that, notice of such call was duly given to the member or his legal representative sued in pursuance of these articles and it shall not be necessary to prove the appointment of Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made nor that the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever but the proof of the matters aforesaid shall be conclusive evidence of the debt.

Partial payment
not to preclude
forfeiture.

43. Neither the receipt by the Company of a portion of any money which shall, from time to time, be due from any member to the Company in respect of his share, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.

Payment in anti-
cipation of calls
may carry interest.

44. The Board of Directors may, if it thinks fit, agree to and receive from any member willing to advance the same, all or any part of the amount due upon the shares held by him beyond the sums actually called for and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made, the Board of Directors may pay or allow interest, at such rate not exceeding, unless the Company in General Meeting shall otherwise direct, nine per cent per annum as the member paying the sum in advance and the Board of Directors agree upon. The Board of Directors may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to such members three months' notice in writing.

No member paying any such sum in advance shall be entitled to dividend or to participate in profits or to voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable.

LIEN

Company to have
lien on shares.

45. The Company shall have a first and paramount lien upon all shares (other than fully paid up shares) registered in the name of each member (whether solely or jointly with others) and upon the

proceeds of the sale thereof, for all moneys (whether presently payable or not), called or payable at a fixed time in respect of such shares and no equitable interests in any such share shall be created except upon the footing and condition that this Article is to have full legal effect. Any such lien shall extend to all dividends from time to time declared in respect of shares, PROVIDED THAT the Board of Directors may, at any time, declare any share to be wholly or in part exempt from the provisions of this Article.

46. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien for the purpose of enforcing the same, PROVIDED THAT no sale shall be made:

As to enforcing
lien by sale.

(a) unless a sum in respect of which the lien exists is presently payable; or

(b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable has been given to the registered holder, for the time being, of the share or the person entitled thereto by reason of his death or insolvency. For the purpose of such sale, the Board may cause to be issued a duplicate certificate in respect of such shares and may authorise out of their number to execute a transfer thereof on behalf of and in the name of such members.

Transfer of
shares sold
under lien.

47. 1) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof;

2) The Purchaser shall be registered as the holder of the shares comprised in any such transfer.

3) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

48. 1) The net proceeds of any such sale shall be received by the Company and applied in or towards such part of the amount in respect of which the lien exists as is presently payable, and

Application of
proceeds of
sale.

2) The residue, if any, shall be paid to the person entitled to the shares at the date of the sale (subject to a like lien for sums not presently payable as existed on the share before the sale).

FORFEITURE OF SHARES

If money payable on share not paid, notice to be given to member.

49. If any member fails to pay the whole or any part of any call or instalment or any money due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may at any time thereafter, during such time as the call or instalment or any part thereof or other moneys remain unpaid or a judgement or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such member or on the person (if any) entitled to the share by transmission, requiring him to pay such call or instalment or such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

If call or instalment not paid, notice may be given.

50. For the purpose of the provisions of these presents relating to forfeiture of shares, the sum payable upon allotment in respect of a share shall be deemed to be a call payable upon such share on the day of allotment.

Form of notice.

51. The notice shall name a day (not being less than fourteen days from the date of the notice) and a place or places at and at which such call or instalment and such interest thereon at such rate and expenses as aforesaid are to be paid. The notice shall also state that, in the event of the non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or instalment is payable, will be liable to be forfeited.

If default of payment, shares to be forfeited.

52. If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter before payment of all calls or instalments, interest and expenses due in respect thereof, be forfeited by a resolution of the Board of Directors to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited shares and not actually paid before the forfeiture.

Notice of forfeiture to a member.

53. When any share shall have been so forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.

Forfeited share to be the property of the Company and may be sold, etc.

54. Any share so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of, either to the original holder or to any other person, upon such terms and in such manner as the Board of Directors shall think fit.

Member still liable to pay money owing

55. Any member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company

on demand all calls, instalments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment, at such rate not exceeding twelve percent per annum as the Board of Directors may determine and the Board of Directors may enforce the payment of such moneys or any part thereof, if it thinks fit, but shall not be under any obligation so to do.

at the time of forfeiture and interest.

56. The forfeiture of a share shall involve extinction at the time of the forfeiture, of all interest in and all claims and demands against the Company in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.

Effect of forfeiture.

57. The Board of Directors may, at any time before any share so forfeited shall have been sold, reallocated or otherwise disposed off, annul the forfeiture thereof upon such conditions as it thinks fit.

Power to annul forfeiture.

58. 1. A duly verified declaration in writing that the declarant is a Director, the Managing Director or the Manager or Secretary of the Company, and that a share in the Company has been duly forfeited in accordance with these Articles, on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.

Validity of forfeiture.

2) The Company may receive the consideration if any, given for the share on any sale, re-allotment or other disposal thereof, and may execute a transfer of the share in favour of the person to whom the share is sold or disposed off.

3) The person to whom such share is sold, re-allotted or disposed off shall thereupon be registered as the holder of the share.

4) Any such purchaser or allottee shall not (unless by express agreement) be liable to pay any calls, amounts, instalments, interest and expense owing to the Company prior to such purchase or allotment nor shall be entitled (unless by express agreement) to any of the dividends, interest or bonuses accrued or which might have accrued upon the share before the time of completing such purchase or before such allotment.

5) Such Purchaser or Allottee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the share.

59. The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

Provision of these articles as to forfeiture to apply in case of non-payment of any sum.

Cancellation of
share certificates in
respect of forfeited
shares.

60. Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the Certificates originally issued in respect of the relative shares shall (unless the same shall, on demand by the Company, have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new certificate or certificates in respect of the said shares to the persons entitled thereto.

Surrender of
shares.

61. The Directors may, subject to the provisions of the Act, accept a surrender of any share from or for any member desirous of surrendering on such terms as they think fit.

TRANSFER AND TRANSMISSION OF SHARES

Register of
Transfers.

62. The Company shall keep a book to be called the Register of Transfers, and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any share.

Form of Transfer.

63. The instrument of transfer of any share shall be in the prescribed form and in accordance with the requirements of Section 108 of the Act.

Application for
Transfer

64. (1) An application for the registration of a transfer of the shares in the Company may be made either by the transferor or the transferee.

(2) When the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.

(3) For the purpose of sub-clause (2) above, notice to the transferee shall be deemed to have been duly given if it is despatched by pre-paid registered post to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.

To be executed by
transferor and
transferee.

65. Every such instrument of transfer duly stamped shall be executed by or on behalf of both the transferor and the transferee and attested and the transferor shall be deemed to remain the holder of such share until the name of the transferee shall have been entered in the Register of Members in respect thereof.

Transfer by legal
representative.

66. A transfer of a share in the Company by a deceased member thereof made by the legal representative shall, although the legal representative is not himself a member, be as valid as if he had been

member at the time of the execution of the instrument of transfer.

67. The Board of Directors shall have power, on giving seven days' previous notice by advertisement in some newspaper circulating in the district in which the registered office of the Company is situated, to close the Transfer Books, the Register of Members or the Register of Debenture Holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate, forty five days in each year as it may seem expedient to the Board.

Transfer books when closed.

68. a) Subject to the provisions of Section 111 of the Act, or any statutory modification thereof for the time being in force, the Directors may, at any time, in their own absolute and uncontrolled discretion and without assigning any reasons or grounds, decline to register or acknowledge any transfer of any share and in particular, may so decline in any case in which the Company has a lien upon the shares desired to be transferred or any call or installment regarding any of them remains unpaid. The registration of a transfer shall be conclusive evidence of the approval of the Directors of the transferee.

Directors may refuse to register transfers.

PROVIDED THAT registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except in a lien on shares.

b) No share shall, in any circumstances, be transferred to any minor, insolvent or person of unsound mind.

69. a. The Company may refuse registration of transfer of any of its securities on any one or more of the following grounds:

Company's powers to refuse to register a transfer.

- i. that the instrument of transfer is not proper or has not been duly stamped and executed or that the certificate relating to the security has not been delivered to the Company or that any other requirement under the law relating to registration of such transfer has not been complied with;
- ii. that the transfer of security is in contravention of any law;
- iii. that the transfer of security is likely to result in such changes in the composition of the Board of Directors as would be prejudicial to the interest of the Company or to the public interest;
- iv. that transfer of the security is prohibited by any order of any court, tribunal or other authority under any law for the time being in force.

Substituted by Special
Resolution passed
at Sixth Annual
General Meeting held
on 27th September,
1991.

- b. The Company shall have before the expiry of one month from the date on which the instrument of transfer of any of its securities is lodged with the Company for the purpose of registration of such transfer formed an opinion, in good faith, that such registration ought to be refused on the grounds mentioned in Sub-Clause (i) of Clause (a), the Company shall intimate the transferor and the transferee by notice in the prescribed form about the requirements under the law which has or which have to be complied with for securing such registration.

- c. If the Company's opinion is to refuse to register a transfer of shares on the grounds mentioned in Sub-Clauses (ii) (iii) and (iv) of Clause (a), the Company shall make a reference to the Company Law Board and forward copies of such reference to the transferor and the transferee. The directions of the Company Law Board will be attended upon in accordance with the provisions of Sub-Section (7) of Section 22A of the Securities Contracts (Regulations) Act, 1956.

- d. The provisions of this Article 69 shall apply to all the securities of the Company to which Section 22A of the Securities Contracts (Regulation) Act, 1956 applies.

Death of one or
more joint-holders
of shares.

70. In case of the death of any one or more persons named in the Register of members as the joint holders of any share, the survivor or survivors, shall be the only persons recognised by the Company as having any title to or interest in such share, but nothing herein contained shall be taken to release the estate of deceased joint-holder from any liability on shares held by him jointly with any other person.

Titles to shares
of deceased member.

71. The executors or administrators of a deceased member or the holder of a succession certificate or the legal representatives in respect of the shares of a deceased member (not being one of two or more joint-holders) shall be the only persons recognised by the Company as having any title to the shares registered in the names of such member, and the Company shall not be bound to recognise such executors or administrators or holders of a succession certificate or the legal representatives, unless such executors or administrators or legal representatives shall have first obtained Probate or Letters of Administration or Succession certificate, as the case may be, from a duly constituted Court in the Union of India, provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper, dispense with production of Probate or Letters of Administration or Succession Certificate and register under Article 72, the name of any person who claims to be absolutely entitled to the shares, standing in the name of a deceased member, as a member.

Registration of
persons entitled to

72. Subject to the provisions of Article 71, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy

of insolvency of any member or by any lawful means other than by a transfer, in accordance with these Articles, may, with the consent of the Board of Directors (which it shall not be under obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under these Articles, or of his title, as the Board of Directors shall require and upon giving such indemnity as the Directors shall require, either be registered as a member in respect of such shares, or elect to have some person nominated by him and approved by the Board of Directors, registered as a member in respect of such shares PROVIDED NEVERTHELESS that if such person shall elect to have his nominee registered, he shall rectify his election by executing in favour of his nominee an instrument of transfer in accordance with the provision herein contained and, until he does so, he shall not be freed from any liability in respect of such shares. This clause is herein referred to as "THE TRANSMISSION CLAUSE"

shares otherwise than
by transfer
(Transmission
clause)

73. Subject to the provisions of the Act and these Articles, the Company shall have the same right to refuse to register a person entitled by transmission to any share or his nominee as if he were the transferee named in an ordinary transfer presented for registration.

Refused to
register nominee.

74. The Company shall be entitled to decline to register more than five persons as the joint-holders of any share.

Directors
entitled
to refuse
to register.

Altered by
Special
Resolution
passed at the
Extraordinary
General Meeting
held on September
27, 1993.

or to transfer the shares, and if the notice is not complied with within ninety days, the Directors may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the shares until the requirements of the notice have been complied with.

76. Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board of Directors may require to prove the title of the transferor, his right to transfer the shares and generally under and subject to such conditions and regulations as the Board of Directors shall, from time to time prescribe and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board of Directors. But any instrument of transfer which the Board of Directors may decline to register, shall, on demand, be returned to the person depositing the same.

Transfer to be
presented with
evidence of title.

Conditions of
registration of
transfer.

77. Prior to the registration of a transfer, the certificate or certificates of the share or shares to be transferred, and if no such certificate is in existence, the Letter of Allotment of the shares, must be delivered to the Company along with (save as provided in Section 108 of the Act) a properly stamped and executed instrument of transfer, with the date of presentation of the instrument to the proper authorities, duly engrossed thereon.

No fee on transfer
or transmission.

78. No fee shall be charged for registration of transfer, grant of Probate, Succession certificate and Letters of Administration, Certificates of Death or Marriage, Power of Attorney or similar other documents.

The Company not
liable for disregard
of a notice
prohibiting
registration of a
transfer.

79. The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof as shown or appearing in the Register of Members to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice, or referred thereto in any book of the Company and the Company shall not be bound or required to regard to attend or give effect to any notice which may be given to it of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company; but the Company shall nevertheless, be at liberty to regard and attend to any such notice, and give effect thereto if the Board of Directors shall so think fit.

COPIES OF MEMORANDUM AND ARTICLES OF ASSOCIATION TO BE SENT TO MEMBERS

Copies of

Memorandum & Articles under Section 39 of the Act or its statutory modification for the time being in force, on being so required by a member, send to him within seven days of the requirement a copy of each of the following Company in members. documents as in force for the time being.

- a. The Memorandum
- b. The Articles, and
- c. Every agreement and every resolution referred to in section 192 of the Act and in so far as they have not been embodied in the Memorandum of the Company or these Articles.

BORROWING POWERS

81. Subject to the provisions of Sections 58A, 292 and 293 of the Act and of these Articles, the Board of Directors may, from time to time at its discretion, if necessary by a resolution passed at a meeting of the Board, accept deposits from members either in advance of calls or otherwise and generally raise or borrow or secure the payment of any sum or sums of money for the purpose of the Company from any source. PROVIDED HOWEVER, where the moneys to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) except the aggregate of the paid up capital of the Company and its free reserves (not being reserves set apart for any specific purpose), the Board of Directors shall not borrow such money without the sanction of the Company in general meeting. No debt incurred by the Company in the excess of the limit imposed by this Article shall be valid or effectual unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by this Article had been exceeded.

Power to borrow.

The payment or
repayments of
moneys borrowed.

82. The payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board of Directors may think fit, and in particular, in pursuance of a resolution passed at a meeting of the Board (and not by Circular Resolution) by the issue of debentures or debenture stock of the Company, charged upon all or any part of the property of the Company, (both present and future) including its uncalled capital for the time being, and the debentures and the debenture stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

Terms of issue of
debentures.

83. Any debentures, debenture stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at general meetings, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in General Meeting.

Mortgage of
uncalled capital.

84. If any uncalled capital of the Company is included in or charged by any Mortgage or other security, the Directors may, subject to the provisions of the Act and these Articles, make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.

Register of
charges etc. to
be kept.

85. The Board of Directors shall cause a proper Register to be kept in accordance with the provisions of Section 143 of the Act, of all Mortgages, debentures, and charges specifically affecting the property of the Company, and shall cause the requirements of Sections 118, 125 and Sections 127 to 144 (both inclusive) of the Act in that behalf to be duly complied with, so far as they fail to be complied with,

by the Company. The Company shall comply with the provisions of Section 135 of the Act as regards modification of a charge and its registration with the Registrar.

MEETINGS OF MEMBERS

Annual General Meeting.

86. (1) The Company shall, in each year hold, in addition to any other meeting, a general meeting as its Annual General Meeting in accordance with the provisions of sections 166 and 210 of the Act and shall specify the meeting as such in the notice calling it, except in the case where the Registrar has given an extension of time for holding any Annual General Meeting and not more than fifteen months shall elapse between the date of one Annual General Meeting of the Company and that of the next. PROVIDED THAT if the Registrar shall have for special reason, extended the time within which any annual general meeting shall be held, such annual general meeting may be held within the additional time.

- (2) Every annual general meeting shall be called for any time during business hours, on a day that is not a public holiday and shall be held either at the registered office of the Company or at some other place within the city or town or village in which the registered office of the Company is situate for the time being.

- (3) Every member of the Company shall be entitled to attend either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any general meeting which he attends on any part of the business which concerns him as auditor.

Report, Statement and Registers to be laid before the Annual General Meeting.

87. At every Annual General Meeting of the Company there shall be laid on the table the Directors' Report and Audited Statement of Accounts, Auditors' Report (if not already incorporated in the Audited Statement of Accounts), the Proxy Register with proxies, and the Register of Directors' Share-holdings.

Extraordinary General Meeting.

88. All general meetings other than Annual General Meeting shall be called Extraordinary General Meetings.

Annual return.

89. (1) The Company shall comply with the provision of section 159 of the Act regarding the filing of Annual Return and the provisions of Section 161 of the Act as regards the Annual Return and certificates to be annexed thereto.

Place of keeping and inspection of registers and

- (2) The Register of Members, Index of Members, the Register and Index of Debenture Holders and copies of all Annual Returns prepared under Sections 159 and 161 of the Act

together with the copies of certificates and documents required to be annexed thereto under Sections 159 and 161 of the Act shall be kept at the registered office of the Company.

returns.

PROVIDED THAT such Registers, Indexes, Returns and copies of certificates and documents or any one or more of them may, instead of being kept at the Registered Office of the Company, be kept at any other place within the city or town in which the Registered Office of the Company is situate for the time being, if

- i. such other place has been approved for this purpose by a Special Resolution passed by the Company in General Meeting and
- ii. The Registrar has been given in advance a copy of the proposed Special Resolution.

(3)

a.

The Registers, Indexes, Returns and copies of certificates and other documents referred to in sub-clause (2) hereof shall, except when the Register of Members or Debenture Holders is closed under the provisions of the Act, be open during the business hours subject to such reasonable restrictions the Company may impose, so that not less than two hours in each day are allowed for inspection (i) of any member or debenture holder without fee and (ii) of any other person or payment of fee of one rupee for each inspection.

inspection.

b.

Any such member, debenture holder or other person may take abstract from the said document or require copy thereof in accordance with Section 163 of the Act.

(4)

The Company shall cause any copy required by any person under clause (b) of subclause (3) to be sent to that person within a period of ten days exclusive of non-working days, commencing on the day next after the day on which the requirement is received by the Company.

90. (1)

Subject to the provisions of Section 188 of the Act, the Directors shall, on the requisition in writing of such number of members as is hereinafter specified and (unless the Annual General Meeting otherwise resolves) at the expense of the requisitionists

Circulation of
Members' Resolution

- a. give to the members of the Company entitled to receive a notice of the next Annual General Meeting, notice of any resolution which may properly be moved and is intended to be moved at that meeting.

- b. Circulate to members entitled to have notice of any general meeting sent to them, any statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.

(2) The number of members necessary for a requisition under clause (1) hercof shall be :

- a. such member or members as represent not less than one-twentieth of the total voting power of all the members having, at the date of the requisition, a right to vote on the resolution or business to which the requisition relates; or
- b. not less than one hundred members having the right aforesaid and holding shares in the Company on which there has been paid up an aggregate sum of not less than rupees one lakh in all.

(3) Notice of any such resolution shall be given and any such statement shall be circulated to members of the Company entitled to have notice of the meeting sent to them by serving a copy of the resolution or statement on such members in any manner permitted by the Act for service of notice of the meeting and notice of any such resolution shall be given to any other member of the Company by giving notice of the general effect of the resolution in any manner permitted by the Act for giving him notice of meeting of the Company. The copy of the resolution shall be served or notice of the effect of the resolution shall be given as the case may be, in the same manner, and so far as practicable at the same time as notice of the meeting, and where it is not practicable for it to be served or given at that time, it shall be served or given as soon as practicable thereafter.

(4) The Company shall not be bound under this Article to give notice of any resolution or to circulate any statement unless

- a. a copy of the requisition signed by the requisitionists for two or more copies which between them contain the signature of all the requisitionists is deposited at the registered office of the Company.

- i. in the case of a requisition requiring notice of resolution, not less than six weeks before the meeting, and

- ii. in the case of any other requisition not less than two weeks before the meeting, and

- b. there is deposited or tendered with the requisition, a sum reasonably sufficient to meet the Company's expenses in giving effect thereto.

PROVIDED THAT if after a copy of the requisition requiring notice of a resolution has been deposited at the registered office of the Company, and an annual general meeting is called for a date six weeks or less after such copy has been deposited, the copy although not deposited within the time required by this clause, shall be deemed to have been properly deposited for the purpose thereof.

- (5) The Company shall not also be bound under this Article to circulate any statement, if, on the application either of the Company or of any other person who claims to be aggrieved, the Court is satisfied that the rights conferred by this Clause are being abused to secure needless publicity for defamatory matter.

- (6) Notwithstanding anything in these Articles contained, the business which may be dealt with at an Annual General Meeting shall include a resolution of which notice is given in accordance with this Article and for the purpose of this clause notice, shall be deemed to have been so given notwithstanding the accidental omission in giving it to one or more members.

91. The Directors may, whenever they think fit, convene an Extraordinary General Meeting and they shall on requisition of the members as hereinafter provided, forthwith, proceed to convene Extraordinary General Meeting of the Company.

92. In case of requisition, the following provisions shall have effect :

- (1) The requisition shall set out the matters for the consideration of which the meeting is to be called, shall be signed by the requisitionists and shall be deposited at the registered office of the Company.

- (2) The requisition may consist of several documents in like form each signed by one or more requisitionists.

- (3) The number of members entitled to requisition a meeting in regard to any matter shall be such number as hold at the date of the deposit of the requisition, not less than one-tenth of such of the paid-up capital of the Company as at that date, carries the right of voting in regard to that matter.

- (4) Where two or more distinct matters are specified in the requisition, the provisions of sub-clause (3) shall apply separately in regard to such matter, and the requisition

Extraordinary
general meeting by
Board and by
requisition.

Contents of
requisition and
number of requisitionists required
and the conduct of
meeting.

shall accordingly be valid only in respect of those matters in regard to which the conditions specified in that clause are fulfilled.

- (5) If the Board does not, within twenty-one days from the date of the deposit of a valid requisition in regard to any matters, proceed duly to call a meeting for the consideration of those matters on a day not later than forty-five days from the date of the deposit of the requisition, the meeting may be called.

- a. by the requisitionists themselves, or
- b. by such of the requisitionists as represent either a majority in value of the paid up share capital held by all of them or not less than one-tenth of the paid-up share capital of the Company referred to in sub-clause (3) whichever is less. PROVIDED that for the purpose of this sub-clause the Board shall, in the case of a meeting at which a resolution is to be proposed as a special resolution be deemed not to have duly convened the meeting if they do not give such notice thereof as is required by sub-section (2) of Section 189 of the Act.

- (6) A meeting called under clause (5) by requisitionists or any of them :

- a. shall be called in the same manner, as nearly possible, as that in which meetings are to be called by the Board but
- b. shall not be held after the expiration of three months from the date of deposit of the requisition.

PROVIDED that nothing in sub-clause (b) shall prevent a meeting duly commenced before the expiry of the period of three months aforesaid, from adjourning to some day after the expiry of that period.

- (7) Where two or more persons hold any shares in the Company jointly, a requisition or a notice calling a meeting by one or some only of them shall, for the purpose of this Article, have the same force and effect as if it had been signed by all of them.

- (8) Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board duly to call a meeting shall be repaid to the requisitionists by the Company, and any sums so repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration for their services to such of the Directors as were in default.

93. (1) A general meeting of the Company may be called by giving not less than twenty one days' notice in writing.

Length of notice
of Meeting.

(2) A general meeting may be called after giving shorter notice than that specified in clause (1) hereof if consent is accorded thereto

i. in the case of an Annual General Meeting by all the members entitled to vote thereat; and

ii. in the case of any other meeting, by members of the Company holding not less than ninety-five per cent of such part of the paid-up share capital of the Company as gives a right to vote at the meeting.

PROVIDED that where any members of the Company are entitled to vote only on some resolution or resolutions to be moved at a meeting and not on the others, those members shall be taken into account for the purposes of this clause in respect of the former resolutions and not in respect of the latter.

Contents and manner
of service of
notice.

94. (1) Every notice of a meeting of the Company shall specify the place and the day and hour of the meeting and shall contain a statement of the business to be transacted thereat.

(2) Subject to the provisions of the Act, notice of every General Meeting shall be given

a. to every member of the Company in the manner authorised by sub-sections (1) to (4) of section 53 of the Act.

b. to the persons entitled to a share in consequence of the death or insolvency of a member, by sending it through post in a pre-paid letter addressed to them by name, or by the title of representatives of the deceased or assignee of the insolvent or by like description, at the address, if any, in India supplied for the purpose by the persons claiming to be so entitled, or until such an address has been so supplied by giving the notice in any manner in which it might have been given if the death or insolvency had not occurred and

c. to the Auditors or Auditor for the time being of the Company, in any manner authorised by section 53 of the Act in the case of any member of the Company.

PROVIDED that where the notice of a meeting is given by advertising the same in a newspaper circulating in the neighbourhood of the Registered Office of the Company under sub-section (3) of Section 53 of the Act, the statement

of material facts referred to in Section 173 of the Act need not be annexed to the notice as required by the Section, but it shall be mentioned in the advertisement that the statement has been forwarded to the members of the Company.

- (3) Every notice convening a meeting of the Company shall state that a member entitled to attend and vote at the meeting is entitled to appoint a proxy to vote and attend instead of himself and that a proxy need not be a member of the Company.

Special and Ordinary
business and
explanatory state-
ment.

95. (1) a. In the case of an Annual General Meeting, all business to be transacted at the meeting, shall be deemed special with the exception of business, relating to

i. The consideration of the accounts, balance sheet and reports of the Board of Directors and Auditors;

ii. The declaration of dividend;

iii. The appointment of Directors in the place of those retiring; and

iv. The appointment of, and the fixing of the remuneration of the auditors.

- b. In the case of any other meeting, all business shall be deemed special;

- (2) Where any items of business to be transacted at the meeting of the Company are deemed to be special as aforesaid, there shall be annexed to the notice of the meeting, a statement setting out all material facts concerning each such item of business including in particular, the nature of the concern or interest, if any, therein of every Director.

PROVIDED that where any item of special business at the meeting of the Company relates to or affects any other company, the extent of shareholding interest in that other company of every Director shall be set out in the statement, if the extent of such shareholding interest is not less than 20 percent of the paid-up share capital of that other company.

- (3) Where any item of business consists of the according of approval to any document by the meeting, the time and place where the document can be inspected, shall be specified in the statement aforesaid.

Omission to
give notice not to

96. The accidental omission to give any such notice as aforesaid to or non-receipt thereof by any member or other person to whom

It should be given, shall not invalidate the proceedings of any such meeting.

invalidate a
Resolution passed.

97. No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices convening the meeting.

Notice of
business to be
given.

98. Five members entitled to vote and present in person shall be quorum for general meeting and no business shall be transacted at the general meeting unless the quorum requisite be present at the commencement of the meeting. A body corporate being a member shall be deemed to be personally present if it is represented in accordance with Section 187 of the Act. President of India or the Governor of a State being a member of the Company shall be deemed to be personally present if he is represented in accordance with Section 187 A of the Act.

Quorum

99. If within half an hour from the time appointed for holding a meeting of the Company, a quorum is not present, the meeting, if called by or upon the requisition of members, shall stand dissolved and in any other case, the meeting shall stand adjourned to the same day in the next week or if that day is a public holiday, until the next succeeding day which is not a public holiday, at the same time and place or to such other day and at such other time and place as the Board may determine. If at the adjourned meeting also, a quorum is not present within half an hour from the time appointed for holding the meeting, the members present shall be a quorum and may transact the business for which the meeting was called.

Presence of
Quorum

100. Where a resolution is passed at an adjourned meeting of the Company, the resolution shall, for all purposes, be treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date.

Resolution passed
at adjourned
meeting.

101. The Chairman of the Board of Directors shall be entitled to take the chair at every general meeting, or if there be no such Chairman, or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding such meeting, or shall decline to take the chair, the Directors present shall elect one of them as Chairman and if no Director be present or if the Directors present decline to take the chair, then the members present shall elect one of their numbers to be a Chairman. If a poll is demanded on the election of the Chairman it shall be taken forthwith in accordance with the provisions of the Act and the Chairman elected on show of hands shall exercise all the powers of the Chairman under the said provisions. If some other person is elected as a result of the poll he shall be the Chairman for the rest of the meeting.

Chairman of
general meeting.

102. No business shall be discussed at any general meeting except the election of a Chairman whilst the chair is vacant.

Business confined to
election of chairman
whilst chair vacant.

103. (i) The Chairman may, with the consent of any meeting at which a quorum is present and shall, if so directed

Chairman may
adjourn Meeting.

by the meeting, adjourn the meeting from time to time and from place to place.

(2) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(3) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(4) Save as aforesaid, it shall not be necessary to give any notice of an adjournment of or of the business to be transacted at any adjourned meeting.

104. At any general meeting, a resolution put to the vote of the meeting shall, unless a poll is demanded under Article 106, be decided on a show of hands.

Voting to be by
show of hands in
the first instance.

105. A declaration by the Chairman that in pursuance of Article 104, on a show of hands, a resolution has or has not been carried either unanimously or by a particular majority, and an entry to that effect in the books containing the minutes of the proceeding of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of votes in favour or against such resolution.

Chairman's declaration
of result of
voting on show of
hands.

106. Before or on the declaration of the result of the voting on any resolution on a show of hands, a poll may be ordered to be taken by the Chairman of the meeting of his own motion and shall be ordered to be taken by him on a demand made in that behalf by any Member or Members present in person or by proxy and holding shares in the Company which confer a power to vote on the Resolution not being less than one tenth of the total voting power in respect of the Resolution, or on which an aggregate sum of not less than Fifty Thousand Rupees has been paid. The demand for a poll may be withdrawn at any time by the person or persons who made this demand.

Demand for poll.
Substituted by
Special Resolution
passed at the
Annual General
Meeting held on
26th December 1988.

107. A poll demanded on any question of adjournment shall be taken forthwith. A poll demanded on any other question (not being relating to the election of a Chairman, which is provided for in Article 101) shall be taken at such time not being later than forty-eight hours from the time when the demand was made and in such manner and place as the Chairman of the meeting may direct.

Time of
taking poll.

108. The Chairman shall not have a second or casting vote.

Chairman's casting
vote.

109. Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers to scrutinize the vote given on the poll and to report thereon to him. One of the scrutineers so appointed shall always be a member (not being an officer or employee of the Company) present at the meeting, provided such a member is avail-

Scrutineers
at poll.

able and willing to be appointed. The Chairman shall have power at any time before the result of the poll is declared to remove a scrutineer from office and fill vacancies in the office of the scrutineer arising from such removal or from any other cause.

110. The demand for a poll except on the question of the election of the Chairman and of an adjournment, shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll had been demanded.

Demand for poll
not to prevent
transaction of
other business.

Special notice-

111. Where by any provision contained in the Act or in these Articles, special notice is required for any resolution, notice of the intention to move the resolution shall be given to the Company not less than fourteen days before the meeting at which it is to be moved, exclusive of the day on which the notice is served or deemed to be served and the day of the meeting. The Company shall, immediately after the notice of the intention to move any such resolution has been received by it, give its members notice of the resolution in the same manner, as it gives notice of the meeting, or if that is not practicable, shall give them notice thereof either by advertisement in a newspaper having an appropriate circulation or in any other mode allowed by these presents not less than seven days before the meeting.

112. The following resolution shall require special notice :-

Resolutions
requiring special
notice

(1) Resolution under Section 225 of the Act at an annual general meeting appointing as Auditor a person other than a retiring Auditor or providing expressly that a retiring Auditor shall not be re-appointed.

(2) Resolution under Section 284, of the Act removing a Director before the expiry of his period of office.

(3) Resolution under Section 284 of the Act appointing a Director in place of the Director so removed.

Registration of
documents with the
Registrar.

113. A copy of each of the following resolutions (together with copy of the statement of material facts annexed under Section 173 of the Act to the notice of the meeting in which such resolution has been passed) or agreement shall, within thirty days after the passing or making thereof be printed or typewritten and duly certified under the signature of an officer of the Company and filed with the Registrar :-

(a) Every special resolution.

(b) Every resolution which has been agreed to by all members of the Company, but which, if not so agreed to would not have been effective for the purpose unless it had been passed as a special resolution.

(c) Every resolution of the Board of Directors or agreement

executed by the Company relating to the appointment, reappointment or renewal of appointment or vacation in the terms of appointment of a Managing Director.

(d) Every resolution or agreement which has been agreed to by all the members of any class of shareholders which, if not so agreed to, would not have been effective for the purpose unless it had been passed by some particular majority required by the Act or by these articles and every resolution or agreement which effectively binds all the members or any class of shareholders though not agreed to by all of them.

(e) Every resolution passed by the Company

(i) according consent to the exercise by the Board of Directors of any of the powers under clause (a), (d) and (e) of sub-section (1) of the section 293 of the Act.

(ii) approving the appointment of sole selling agents under Section 294 and 294AA of the Act and;

(f) A resolution for voluntary winding up of the Company.

(g) Copies of the terms and conditions of appointment of a Sole Selling Agent appointed under Section 294 or of a Sole Selling Agent or other person appointed under Section 294AA.

A copy of every such resolution or agreement for the time being in force, shall also be embodied in or annexed to, every copy of these Articles issued after the passing of the resolution or the making of the agreement.

VOTES OF MEMBERS

Members paying money in advance not to be entitled to vote in respect thereof.

114. A member paying the whole or part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable.

Restriction on exercise of voting rights of members who have not paid calls.

115. No member shall exercise any voting rights in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien.

Number of votes to

116. Subject to the provisions of Articles 114 and 115, every member

of the Company holding any equity share capital and otherwise entitled to vote, shall, on a show of hands, when present in persons (or being a body corporate present by a representative duly authorised) have one vote and on a poll, when present in person (including a body corporate by a duly authorised representative) or by an agent duly authorised under a Power of Attorney or by proxy, his voting right shall be in proportion to his share of the paid-up equity share capital of the Company. Provided, however, if any preference share-holder be present at any meeting of the Company, save as provided in clause (b) of sub-section (2) of Section 87 of the Act, he shall have a right to vote only on resolutions before the meeting which directly affect the rights attached to his preference shares. A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote is taken.

which member is
entitled.

117. A member of unsound mind or in respect of whom order has been made by any court having jurisdiction in lunacy, may vote whether on a show of hands or on a poll by his committee or other legal guardian and any such committee or guardian may on a poll vote by proxy.

Vote of members
of unsound mind.

118. If there be joint registered holders of any shares, any one of such persons may vote at any meeting personally or by an agent duly authorised under a Power of Attorney or by proxy in respect of such shares, as if he were solely entitled thereto but the proxy so appointed shall not have any right to speak at the meeting, and, if more than one of such joint holders be present at any meeting, either personally or by agent or by proxy, that one of the said persons so present who stands higher on the Register shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting; provided always that a person present at any meeting personally shall be entitled to vote in preference to a person present by an agent duly authorised under a Power of Attorney or by proxy although the name of such person present by agent or proxy stands first or higher in the Register in respect of such shares. Several executors or administrators of a deceased member in whose name shares stand shall, for the purpose of these Articles, be deemed joint holders thereof.

Votes of joint
members.

119. (1) A body corporate (whether a company within the meaning of the Act or not) may, if it is a member or creditor of the Company (including a holder of debentures), authorise such person as it thinks fit, by a resolution of its Board of Directors or other Governing Body, to act as its representative at any meeting of the Company or at any meeting of the creditors of the Company or debenture holders of the Company. A person authorised by resolution as aforesaid, shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents, as that body could exercise, if it were an individual member, creditor or holder of debentures of the Company.

Representation of
body corporate.

- (2) Where the President of India or the Governor of a State is a member of the Company, the President, or as the case may be, the Governor may appoint such person, as he thinks fit, to act as his representative at any meeting of the Company or at any meeting of any class of members of the Company and such a person shall be deemed to be a member of the Company and shall be entitled to exercise the same rights and powers, including the right to vote by proxy, as the President, or as the case may be, the Governor could exercise as a member of the Company.

Votes in respect of deceased or insolvent members.

120. Any person entitled under the Transmission Clause to transfer any shares may vote at any general meeting in respect thereof in the same manner as if he was the registered holder of such shares, provided that at least forty eight hours before the time for holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall satisfy the Directors of his right to transfer such shares and give such indemnity (if any) as the Directors may require, unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

Voting in person or by proxy.

121. Subject to the provisions of these Articles, votes may be given either personally or by proxy.

Rights of members to use his votes differently.

122. On a poll taken at a meeting of the Company, a member entitled to more than one vote or his proxy, or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.

Proxies.

123. Any member of the Company entitled to attend and vote at a meeting of the Company, shall be entitled to appoint another person (whether a member or not) as his proxy to attend and vote instead of himself. PROVIDED ALWAYS that a proxy so appointed shall not have any right whatever to speak at the meeting. Every notice convening a meeting of the Company shall state that a member entitled to attend and vote is entitled to appoint one or more proxies.

Proxy either for specified meeting or for a period.

124. An instrument of proxy may appoint a proxy either for the purpose of a particular meeting specified in the instrument and any adjournment thereof or it may appoint for the purposes of every meeting to be held before a date specified in the instrument and every adjournment of any such meeting.

No proxy except for a corporation to vote on a show of hands.
Deposit of instrument of appointment.

125. No member except for a corporation present only by proxy shall be entitled to vote on a show of hands.

126. The instrument appointing a proxy and the Power of Attorney or other authority (if any) under which it is signed or a notorially certified copy of that Power of Attorney or authority, shall be deposited at the office forty-eight hours before the time for holding the meetings at which the person named in the instrument proposes to vote, and in default, the instrument of proxy shall not be treated

as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution.

127. Every instrument of proxy whether for specified meeting or otherwise, shall as nearly as circumstances will admit, be in any of the forms set out in Schedule IX to the Act, and signed by the appointer or his attorney duly authorised in writing, or if the appointer is a body corporate, be under its seal or be signed by any officer or attorney duly authorised by it.

Form of proxy-

128. Every member entitled to vote at a meeting of the Company according to the provisions of these Articles on any resolution to be moved thereat, shall be entitled during the period beginning twenty-four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting to inspect proxies lodged at any time during the business hours of the Company provided not less than three days notice in writing of the intention so to inspect is given to the Company.

Inspection of proxies.

129. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of any Power of Attorney or authority under which such proxy was signed or the transfer of the share in respect of which the vote is given, provided that no intimation in writing, of the death, insanity, revocation or transfer shall have been received at the office before the commencement of the meeting, or adjourned meeting at which the proxy is used.

Validity of votes given by proxy notwithstanding revocation of authority.

130. No objection shall be made to the qualifications of any voter or to the validity of a vote except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote, whether given personally or by proxy, not disallowed at such meeting, shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the Meeting.

Time for objections to vote

131. The Chairman of any meeting shall be the sole judge of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

Chairman of any meeting to be the judge of validity of any vote.

132. If any such instrument of appointment be confined to the object of appointing an attorney or proxy for voting at meetings of the Company, it shall remain permanently or for such time as the Directors may determine, in the custody of the Company. If embracing other objects, copy thereof examined with the original, shall be delivered to the Company to remain in the custody of the Company.

Custody of instrument.

DIRECTORS

- | | | | |
|----------------------|------|-----|---|
| Number of Directors. | 133. | (a) | The number of Directors shall not be less than three nor more than fifteen (excluding Institutional Directors and Debenture Directors, if any). |
| | | (b) | Subject to the above, the Company in General Meeting shall determine the number of Directors for the time being in Office. This, however, shall not prejudice the power of the Board to appoint Additional Directors or to fill up casual vacancies under Article 140 and 141 hereof. |

Deleted by Special
Resolution passed at
the Extraordinary
General Meeting
held on April 19,
2005.

134. DELETED.

- | | | |
|----------------------|------|--|
| Debenture Directors. | 135. | Any Trust Deed for securing debentures or debenture stocks, may, if so arranged, provide for the appointment, from time to time, by the Trustees thereof or by the holders of debentures or debenture stocks of some person to be a Director of the Company and may empower such Trustees or holder of debentures or debenture stocks, from time to time, to remove and re-appoint any Director so appointed. The Director appointed under this Article is herein referred to as "Debenture Director" and the term "Debenture Director" means the Director, for the time being in office, under this Article. The Debenture Director shall not be liable to retire by rotation or be |
|----------------------|------|--|

removed by the Company. The Trust Deed may contain such ancillary provision as may be agreed between the Company and the Trustees and all such provisions shall have effect notwithstanding any of the other provisions herein contained.

136. Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to the Industrial Development Bank of India (IDBI), Industrial Finance Corporation of India (IFCI), The Industrial Credit and Investment Corporation of India Limited (ICICI), and Life Insurance Corporation of India (LIC) or to any other Finance Corporation or Credit Corporation of India (LIC) or to any other Financing Company or Body out of any loan or to any other Financing Company or so long as IDBI, IFCI, ICICI, granted by them to the Company or any other Financing Corporation LIC and Unit Trust of India (UTI) or any other Financing Corporation or Credit Corporation or any other Financing Company or Body of which IDBI, IFCI, ICICI, LIC and UTI or any other Finance Corporation or Credit Corporation or any other Financing Company or Body is hereinafter in this Article referred to as "the Corporation" continue to hold debentures in the Company by direct subscription or private placement, or so long as the Corporation holds shares in the Company as a result of underwriting or direct subscription or so long as any liability of the Company arising out of any Guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time, any person or persons as a Director or Directors, whole time or non-whole time, (which Director or Directors is/are hereinafter referred to as "Institutional Director/s") on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their place/s.

The Board of Directors of the Company shall have no power to remove from office the Institutional Director/s. At the option of the Corporation, such Institutional Director/s shall not be required to hold any share qualification in the Company. Also, at the option of the Corporation, such Institutional Director/s shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Institutional Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

The Institutional Director/s so appointed shall hold the said office only as long as any moneys remain owing by the Company to the Corporation or so long as the Corporation holds debentures in the Company as a result of direct subscription or private placement or so long as the Corporation holds shares in the Company as a result of underwriting or direct subscription or the liability of the Company arising out of the Guarantee is outstanding and the Institutional Director/s so appointed in exercise of the said power shall ipso facto vacate such office, immediately the moneys owing by the Company to the Corporation is paid off or on the Corporation ceasing to hold Debentures/Shares in the Company or on the satisfaction of the liability of the Company arising out of the Guarantee furnished by the Corporation.

Institutional
Directors.

The Institutional Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and of the Meetings of the Committee of which the Institutional Director/s is/are member/s as also the minutes of such meetings. The Corporation shall also be entitled to receive all such notices and minutes.

The Company shall pay to the Institutional Director/s sitting fees and expenses which the other Directors of the Company are entitled, but if any other fees, commission, moneys or remuneration in any form is payable to the Directors of the Company, the fees, commission, moneys and remunerations in relation to such Institutional Director/s shall accrue to the Corporation and same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Institutional Director/s in connection with their appointment or Directorship, shall also be paid or reimbursed by the Company to the Corporation or as the case may be, to such Institutional Director/s. Provided that if any such Institutional Director/s is an officer of the Corporation and the sitting fees, in relation to such Institutional Director/s shall also accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Provided further that if such Institutional Director/s is an officer of the Reserve Bank of India, the sitting fees in relation to such Institutional Director/s shall also accrue to IDBI and the same shall accordingly be paid by the Company directly to IDBI.

In the event of the Institutional Director/s being appointed as whole time Director/s, such Institutional Director/s shall exercise such powers and have such rights as are usually exercised or available to a whole time Director in the Management of the affairs of the Company. Such whole time Director/s shall be entitled to receive such remuneration, fees, commission and moneys as may be approved by the Corporation.

137. Deleted.

Limit on
Number of
Retiring Directors.

138. The provisions of Articles 135 and 136 are subject to the provision of Section 256 of the Act and the number of such Directors appointed under Articles 135, 136 and 172 shall not exceed, in the aggregate, one third of the total number of Directors for the time being, in office.

Appointment of
alternate Director.

139. The Board may appoint an Alternate Director to act for a Director, hereinafter called the original Director, for a period of not less than three months from the State in which meetings of the Board are ordinarily held during his absence. Every such Alternate Director shall, subject to his giving to the Company an address in India at which notice may be served on him, be entitled to notice of meeting of Directors and to attend and vote as a Director and be counted for the purposes of a quorum and generally, at such meetings, to have an exercise all the powers and duties and authorities of the original Director. The Alternate Director appointed under this Article shall vacate office as and when original Director returns

to the State in which meetings of the Board are ordinarily held.

If the term of office of the original Director is determined before he returns to the State in which meetings of the Board are ordinarily held, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the original Director and not to the Alternate Director.

Directors may
fill vacancies.

140. The Board shall have power at any time and from time to time to appoint any qualified person to be a Director to fill a casual vacancy. Such casual vacancy shall be filled by the Board of Directors at a meeting of the Board. Any person so appointed shall retain his office only up to the date up to which the Director in whose place he is appointed would have held office, if it had not been vacated as aforesaid but he shall then be eligible for re-election.

Additional
Directors.

141. The Board shall also have power, at any time and from time to time, to appoint any other qualified person to be a Director as an addition to the Board but so that the total number of Directors shall not, at any time, exceed the maximum fixed. Any person so appointed as an addition to the Board shall retain his office only up to the date of the next annual general meeting but shall be eligible for election at such meeting.

Qualification of
Directors.

142. A Director shall not be required to hold any qualification shares.

143. Subject to the provisions of the Companies Act, 1956, a Director who is neither in the whole-time employment of the Company nor a Managing Director, may be paid remuneration, either

Remuneration
of Directors.

- (a) by way of a monthly, quarterly or annual payment with the approval of the Central Government, if necessary, or
- (b) by way of commission if the Company by a special resolution authorises such payment.

Provided that the remuneration paid to such Director, or where there is more than one such Director, to all of them together, shall not exceed

- (i) One percent of the net profits of the Company, if the Company has a Managing or whole-time Director, or a Manager.

- (ii) Three percent of the net profits of the Company, in any other case.

144. The fee payable to the Chairman and to other Directors for attending a meeting of the Board of Directors or Committee thereof shall be such sum as may be prescribed by law from time to time."

145. Subject to the provisions of Sections 198, 310, 311 and 314 of the Act, if any Director, being willing, shall be called upon to Extra Remuneration to Directors for

special work.

perform extra services (which expression shall include work done by a Director as a member of any committee formed by the Directors or in relation to signing share certificates) or to make special exertions in going or residing out of his usual place of residence or otherwise for any of the purposes of the Company, the Company shall remunerate the Director so doing, either by a fixed sum or otherwise, as may be determined by the Directors, and such remuneration may be, either in addition to or in substitution for his share in the remuneration above provided.

Travelling expenses, incurred by Directors, on Company's business.

146. The Board of Directors may allow and pay to any Directors who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.

Directors may act notwithstanding vacancy.

147. The continuing Directors may act notwithstanding any vacancy in their body; but if and as long as either number is reduced below the quorum fixed by these Articles for a meeting of the Board of Directors, the Continuing Directors may act for the purpose of increasing the number of Directors to that fixed for the quorum or for summoning a general meeting of the Company, but for no other purpose.

Disqualification of Directors.

148. A person shall not be capable of being appointed Director of the Company, if --

- a. he has been found to be of unsound mind by a court of competent jurisdiction and the finding is in force;
- b. he is an undischarged insolvent;
- c. he has applied to be adjudged an insolvent and his application is pending;
- d. he has been convicted by a court of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence;
- e. he has not paid any call in respect of shares of the Company held by him whether alone or jointly with others and six months have elapsed from the last day fixed for the payment of the call, or
- f. an order disqualifying him for appointment as Director has been passed by a Court in pursuance of Section 203 of the Act and is in force; unless the leave of the Court has been obtained for his appointment in pursuance of that section.

149. (1) The Office of a Director shall become vacant if —

- a. he is found to be of unsound mind by a Court of competent jurisdiction; or
- b. he applies to be adjudged an insolvent; or
- c. he is adjudged an insolvent; or
- d. he is convicted by a court of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for not less than six months; or
- e. he fails to pay call in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date for the payment of the call unless the Central Government by a Notification removed the disqualification incurred by such failure; or
- f. he absents himself from three consecutive meetings of the Board of Directors or from all meetings of the Board for a continuous period of three months, whichever is longer, without obtaining leave of absence from the Board; or
- g. he (whether by himself or by any person for his benefit or on his account) or any firm in which he is a partner or any private company of which he is a Director, accepts a loan, or any guarantee or security for a loan from the Company in contravention of Section 295 of the Act; or
- h. he being in anyway whether directly or indirectly concerned or interested in a contract or arrangement or proposed contract or arrangement, entered into or to be entered into by or on behalf of the Company, fails to disclose the nature of his concern or interest at a meeting of the Board of Directors as required by section 299 of the Act; or
- i. he becomes disqualified by an order of the Court under Section 203 of the Act; or
- j. he is removed by an ordinary resolution of the Company before the expiry of his period of office; or
- k. if by notice in writing to the Company, he resigns his office; or
- l. having been appointed a Director by virtue of his holding any office or other employment in the Com-

pany, he ceases to hold such office or other employment in the Company.

2. Notwithstanding anything contained in sub-clauses (c) (d) and (i) of clause (1) hereof, the disqualification referred to in these clauses shall not take effect:

- a. for thirty days from the date of the adjudication, sentence or order;
- b. where any appeal or petition is preferred within the thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence or order, until the expiry of seven days from the date on which such appeal or petition is disposed off; or
- c. where within the seven days aforesaid, any further appeal or petition is preferred in respect of the adjudication, sentence, conviction or order, and the appeal or petition, if allowed, would result in the removal of the disqualification, until such further appeal or petition is disposed off.

Removal of
Directors

150. a. The Company may (subject to the provisions of Section 284 and other applicable provisions of the Act and these Articles) by ordinary resolution remove any Director before the expiry of his period of office.
- b. Special notice as provided by Article 111 or Section 190 of the Act shall be required of any resolution to remove a Director under the Article or to appoint some other person in place of a Director so removed at the meeting at which he is removed.
- c. On receipt of notice of a resolution to remove a Director under this Article, the Company shall forthwith send a copy thereof to the Director concerned and the Director (whether or not he is a member of the Company) shall be entitled to be heard on the resolution at the meeting.
- d. Where notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the Company (not exceeding a reasonable length) and requests their notification to members of the company, the company shall, unless the representations are received by it too late for it to do so (a) in the notice of the resolution given to members of the Company state the fact of the representations having been made, and (b) send a copy of the representations to every member of the Company to whom notice of the meeting is sent (before or after the representations by the Company) and if a copy of

the representations is not sent as aforesaid because they were received too late or because of the Company's default, the Director may (without prejudice to his right to be heard orally) require that the representations shall be read out at the meeting; provided that copies of the representations need not be sent or read out at the meeting if on the application either of the Company or of any other person who claims to be aggrieved, the Court is satisfied that the rights conferred by this sub-clause are being abused to secure needless publicity for defamatory matter.

- e. A vacancy created by the removal of a Director under this article may, if he had been appointed by the Company in General Meeting or by the Board in pursuance of Article 140 or Section 262 of the Act be filled by the appointment of another Director in his stead by the meeting at which he is removed; provided special notice of the intended appointment has been given under sub-clause (b) hereof. A Director so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed as aforesaid.

- f. If the vacancy is not filled under sub-clause (e), it may be filled as a casual vacancy in accordance with the provisions, in so far as they are applicable of Article 140 or Section 262 of the Act, and all the provisions of that Article and Section shall apply accordingly.

- g. A Director who was removed from office under this Article shall not be re-appointed as a Director by the Board of Directors.

- h. Nothing contained in this Article shall be taken

- i. as depriving a person removed hereunder of any compensation or damages payable to him in respect of the termination of his appointment as director; or
- ii. as derogating from any power to remove a Director which may exist apart from this Article.

151. Subject to compliance with the provisions of Sections 297, 299 & 300 of the Act and save as therein provided, no Director shall be disqualified by his office from holding any office or place of profit under the Company or under any company in which this Company shall be a shareholder or otherwise interested, or from contracting with the Company either as vendor, purchaser, agent, broker or otherwise, nor shall any such contract or any arrangement entered into by or on behalf of the Company in which any Director shall be in anyway interested be avoided, nor shall any Director be liable to account to the Company for profit arising from any such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established.

Directors may
contract with the
Company.

Disclosure of
Director's interest.

152. (1)

Every Director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract or arrangement, or proposed contract or arrangement, entered into or to be entered into, by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board of Directors, in the manner provided in Section 299 (2) of the Act.

(2) a. In the case of a proposed contract or arrangement, the disclosure required to be made by a Director under clause (1) shall be made at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration, or if the Director was not, at the date of that meeting, concerned or interested in the proposed contract or arrangement, at the first meeting of the Board held after he becomes so concerned or interested.

b. In case of any other contract or arrangement, the required disclosure shall be made at the first meeting of the Board held after the Director becomes concerned or interested in the contract or arrangement.

(3) a. For the purpose of clauses (1) and (2), a general notice given to the Board by a Director to the effect that he is a Director or a member of a specified firm body corporate or is a member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may, after the date of the notices, be entered into with that body corporate or firm, shall be deemed to be sufficient disclosure of concern or interest in relation to any contract or arrangement so made.

b. Any such general notice, shall expire at the end of the financial year in which it is given, but may be renewed for further periods of one financial year at a time by a fresh notice given in the last month of the financial year in which it would otherwise expire.

c. No such general notice, and no renewal thereof, shall be of effect unless either it is given at a meeting of the Board, or the Director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.

4. Nothing in this Article shall apply to any contract or arrangement entered into or to be entered into between the Company and any other company where any one or more of the Directors of the Company together holds

or hold not more than two percent of the paid up share capital in the other company.

Heard Resolution
necessary for
certain contracts

153. (1) Except with the consent of the Board of Directors of the Company, a Director of the Company, or his relative, a firm in which such a Director or relative is partner, any other partner in such a firm, or a private company of which the Director is a member or director, shall not enter into any contract with the Company:
- a. for the sale, purchase or supply of goods, materials or services; or
 - b. for underwriting the subscription of any share in or debentures of the Company.
- (2) Nothing contained in clause (a) of sub-clause (1) shall affect:
- a. the purchase of goods and materials for the Company or the sale of goods and materials to the Company by any Director, relative, firm, partner or private company as aforesaid for cash at prevailing market prices; or
 - b. any contract or contracts between the Company on one side and any such Director, relative, firm, partner or private Company on the other for sale, purchase or supply of any goods, materials and services in which either the Company or the Director, relative, firm, partner or private company as the case may be, regularly trades or does business, PROVIDED that such contract or contracts do not relate to goods and materials the value of which or services the cost of which exceeds five thousand rupees in the aggregate in any year comprised in the period of the contract or contracts; or
- (3) Notwithstanding anything contained in clauses (1) and (2) a Director, relative, firm, partner or private company as aforesaid may, in circumstances of urgent necessity, enter without obtaining the consent of the Board, into any contract with the Company for the sale, purchase of any goods, materials or services even if the value of such goods and materials or cost of such services exceeds Rs.5,000/- in the aggregate in any year comprised in the period of the contract; but in such a case the consent of the Board shall be obtained at meeting within three months of the date on which the contract was entered into.
- (4) Every consent of the Board required under this Article shall be accorded by a resolution of the Board required under clause (1) and the same shall not be deemed to have

been given within the meaning of that clause unless the consent is accorded before the contract is entered into or within three months of the date on which it was entered into.

- (5) If the consent is not accorded to any contract under this Article, anything done in pursuance of the contract will be voidable at the option of the Board.

154. If the Company -

Disclosure to the
members of Director's
interest in contract
in appointing Managers
or Managing Director.

- a. enters into a contract for the appointment of a Manager or a Managing Director of the Company in which contract, any Director of the Company is in any way directly or indirectly concerned or interested; or
- b. varies any such contract already in existence and in which a Director is concerned or interested as aforesaid, the provisions of Section 302 of the Act shall be complied with.

Holding of office
of profit by
Directors etc.

- 155. (1)** Except with the consent of the Company accorded by a special resolution as provided under Section 314 of the Act -

- a. No Director of the Company shall hold any office or place of profit, and
- b. No partner or relative of such a Director, no firm in which such a Director or relative is a partner, no private company of which such a Director is a Director or a member and no director or manager of such a private company shall hold any office or place of profit, carrying a total monthly remuneration of rupees five hundred or more;

except that of a managing director, manager, banker, or trustee for the holders of debentures of the Company

- i. under the Company; or
- ii. under any subsidiary of the Company, unless the remuneration received from such subsidiary in respect of such office or place of profit is paid over to the Company or its holding Company;

PROVIDED that it shall be sufficient if the special resolution according the consent of the Company is passed at the General Meeting of the Company held for the first time after the holding of such office or place of profit;

PROVIDED FURTHER that where a relative of a Director or a firm in which such relative

is a partner, is appointed to an office or place of profit, under the Company or a subsidiary thereof without the knowledge of the Director the consent of the Company may be obtained either in the General Meeting aforesaid or within three months from the date of appointment whichever is later.

For the purpose of this clause a special resolution according consent shall be necessary for every appointment in the first instance to an office or place of profit and to every subsequent appointment to such office or place of profit on a higher remuneration not covered by special resolution except where an appointment on a time scale has already been approved by the special resolution

- (2) Nothing in clause (1) hereof shall apply where a relative of a Director or a firm in which such relative is a partner holds any office or place of profit under the Company or a subsidiary thereof having been appointed to such office or place before such Director becomes a Director of the Company.

- (3) If any office or place of profit is held in contravention of the provisions of clause (1) above or except as provided by clause (2) above, the Director, partner, relative, firm private company or the manager concerned shall be deemed to have vacated his or its office as such on and from the date next following the date of the general meeting of the Company referred to in the first proviso to clause (1) above or, as the case may be the date of the expiry of the period of three months referred to in the second proviso to clause (1) above, and shall also be liable to refund to the Company remuneration received or the monetary equivalent of any perquisite or advantage enjoyed by him or it for the period immediately preceding the date aforesaid in respect of such office or place of profit.

- (4) Every individual, firm, private company or other body corporate proposed to be appointed to any office or place of profit to which this Article applies shall, before or at the time of such appointment, declare in writing whether he or it is or is not connected with the Director of the Company in any of the ways referred to in clause (1).

- (5) Any office or place shall be deemed to be an office or place of profit under the Company within the meaning of clause (1).

a. In case of the office or place is held by a Director, if the Director holding it obtains from the Company anything by way of remuneration over and above

the remuneration to which he is entitled as such Director whether as salary, fees, commission, perquisites, the right to occupy free of rent any premises as a place of residence or otherwise.

- b. In case the office or place is held by an individual other than a Director or by any firm, private company, or other body corporate if the individual, firm, private company or body corporate holding it obtain from the Company anything by way of remuneration whether as salary, fees, commission, perquisites, the right to occupy free of rent any premises as a place of residence or otherwise.

(6) Notwithstanding anything contained in sub-clause (1) -

- a. no Partner or relative of a Director or Manager;
- b. no firm in which such Director or Manager or relative of either is a Partner;
- c. no private company of which such a Director or Manager or relative of either is a Director or member, shall hold any office or place of profit in the Company which carries a total monthly remuneration of not less than three thousand rupees except with the prior consent of the Company by a Special Resolution and the approval of the Central Government.

Loans to Directors
etc.

156. The Company shall not without obtaining the previous approval of the Central Government in that behalf, directly or indirectly make any loan to or give any guarantee or provide any security in connection with a loan made by any other person by or any other person by

- a. any Director of the Company or any partner or relative of any such Director;
- b. any firm in which any such Director or relative is a partner;
- c. any private company of which any such Director is a Director or member;
- d. any body corporate at a general meeting of which not less than twenty five percent of the total voting power may be exercised or controlled by any such Director or by two or more such Directors together; or
- e. any body corporate, the Board of Directors, Managing Director or Manager whereof, is accustomed to act in accordance with the directions or instructions of the Board, or of any Director or Directors of the Company.

157. The Company shall observe the restrictions imposed on the Company in regard to making any loans, giving any guarantee or providing any security to the companies or bodies corporate under the same management as provided in Section 370 of the Act.

Loans etc. to Companies.

158. No Director of the Company shall, as a Director, take any part in the discussion of or vote on any contract or arrangement entered into, or to be entered into, by or on behalf of the Company, if he is in any way whether directly or indirectly concerned or interested in such contract or arrangement nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote and if he does vote, it shall be void provided that the Board of Directors or any of its members may vote on any contract of indemnity against any loss which it or any one or more of its members may suffer by reason of becoming or being sureties or surety for the Company. Nothing in this Article shall apply to any contract or arrangement entered into or to be entered into with a public company or a private company which is subsidiary of a public company in which the interest of the Director aforesaid consists solely -

Interested Director not to participate or to vote in Board's proceedings

(1) in his being Director of such company and the holder of not more than shares of such number and value therein as is requisite to qualify him for the appointment as a Director thereof, he having been nominated as such Director by the Company.

(2) in his being a member holding not more than two percent of its paid up share capital.

This Article is subject to the provisions of sub-section (2) of Section 360 of the Act.

159. (1) The Company shall keep one or more registers in which shall be entered separately particulars of all contracts and arrangements to which Section 297 or Section 299 of the Act apply including the following particulars to the extent they are applicable in each case namely,

Register of contracts in which Directors are interested.

- a) the date of the contract or arrangement;
- b) the names of the parties thereto;
- c) the principal terms and conditions thereof;
- d) in the case of contract to which section 297 of the Act applies or in the case of a contract or arrangement to which sub-section (2) of Section 299 of the Act applies, the date on which it was placed before the Board.
- e) the names of the Directors voting for and against the contract or arrangement and the names of those remaining neutral.

(2) Particulars of every such contract or arrangement to which Section 297 of the Act or as the case may be, sub-section (2) of Section 299 applies, shall be entered in the relevant register aforesaid:-

- a) in the case of a contract or arrangement requiring the Board's approval within seven days (exclusive of public holidays) of the meeting of the Board at which the contract or arrangement is approved;
- b) in the case of any other contract or arrangement, within seven days of the receipt at the registered office of the Company of the particulars of such other contract or arrangement or within thirty days of the date of such other contract or arrangement whichever is later, and the Register shall be placed before the next meeting of the Board and shall be signed by all the Directors present at the meeting.

c) The Register shall be kept at the registered office of the Company, and it shall be open to inspection at such office, and extracts may be taken therefrom and copies thereof may be required by any member of the Company to the same extent, in the same manner, and on payment of the same fee as in the case of the Register of Members of the Company and the provision of section 163 of the Act shall apply accordingly.

(3) The Register aforesaid shall also specify, in relation to each Director of the Company the names of the firms and bodies corporate of which notice has been given by him under sub-section (3) of Section 299 of the Act.

(4) Nothing in clauses (1), (2) and (3) shall apply to any contract or arrangement for the sale, purchase or supply of any goods and materials or services if the value of such goods and materials or the cost of such services does not exceed rupees one thousand in the aggregate in any year.

ROTATION AND APPOINTMENT OF DIRECTORS

Directors may be
Directors of
companies promoted
by the Company.

160. A Director may be or become a director of any company in which he may be interested as a vendor, shareholder or otherwise, and no such Director shall be accountable for any benefits received as a director or shareholder of such company except in so far as Section 309 (c) or Section 314 of the Act may be applicable.

161. Not less than two-third of the total number of Directors shall
 (a) be persons whose period of the office is liable to determination:
 by retirement of Directors by rotation and (b) save as otherwise expre-
 ssly provided in the Articles be appointed by the Company in General
 Meeting.

162. Subject to the provisions of Section 256 of the Act and Articles
 133, 135, 136, 138, 139 and 140 at every annual general meeting of
 the Company one-third of such of the Directors for the time being
 as are liable to retire by rotation, or if their number is not three
 or a multiple of three the number nearest to one-third shall retire
 from office. The Debenture Directors, Institutional Directors, Managing
 Directors or whole time Director if any, shall not be subject to retire-
 ment under this Article and shall not be taken into account in deter-
 mining the number of Directors to retire by rotation. In these Articles
 a "Retiring Director" means a Director retiring by rotation.

163. Subject to Section 256(2) of the Act, the Directors to retire
 by rotation under Article 162 at every annual general meeting shall
 be those who have been longest in office since their last appointment,
 laid as between those who become directors on the same day, those
 who are to retire shall, in default of and subject to any agreement
 amongst themselves, be determined by lot.

164. A retiring Director shall be eligible for re-election.

165. Subject to Section 258, 259 and 284 of the Act, the Company
 at the general meeting at which a Director retires in the manner
 aforesaid may fill up the vacancy by appointing the retiring Director
 or some other person thereto.

166. a) If the place of retiring Director is not so filled up
 and the meeting has not expressly resolved not to fill
 the vacancy, the meeting shall stand adjourned till
 the same day in the next week, at the same time and
 place, or if that day is a public holiday till the next
 succeeding day which is not a public holiday, at the
 same time and place.

b) If at the adjourned meeting also, the place of the retiring
 Director is not filled up and that meeting also has
 not expressly resolved not to fill the vacancy, the retiring
 Director shall be deemed to have been re-appointed
 at the adjourned meeting unless-

- i) at that meeting or the previous meeting a resolu-
 tion for the re-appointment of such director
 has been put to the meeting and lost;
- ii) the retiring Director has, by notice in writing
 addressed to the Company or its Board of Directors
 expressed his unwillingness to be so re-appointed;

- iii) he is not qualified or is disqualified for appointment;
- iv) a resolution, whether special or ordinary, is required for his appointment or re-appointment in virtue of any provisions of the Act; or
- v) the proviso to sub-section (2) of section 263 of the Act is applicable to the case.

Company may increase or reduce the number of Directors or remove any Director.
Appointment of Directors to be voted individually.

167. Subject to the provisions of Sections 252, 253 and 259 of the Act, the Company may, by ordinary resolution, from time to time, increase or reduce the number of Directors and may prescribe or alter qualifications.

168. (1) No motion at any general meeting of the Company shall be made for the appointment of two or more persons as Directors of the Company by a single resolution unless a resolution that it shall be so made, has been first agreed to by the meeting without any vote being given against it.

(2) A resolution moved in contravention of clause (1) hereof shall be void, whether or not objection was taken at the time of its being so moved; provided where a resolution so moved is passed, no provision for the automatic re-appointment of retiring Director in default of another appointment as hereinbefore provided shall apply.

(3) For the purpose of this Article, a motion for approving a person's appointment, or for nominating a person for appointment, shall be treated as a motion for his appointment.

Notice of
Candidature for
office of Director
except in certain
cases.

169.

1. No person, not being a Retiring Director shall be eligible for election to the office of Director at any general meeting unless he or some other member intending to propose him has, at least fourteen days before the meeting, left at the office of the Company a notice in writing under his hand signifying his candidature for the office of a Director or the intention of such member to propose him as a Director for the office as the case may be alongwith a deposit of Five Hundred Rupees which shall be refunded to such person or, as the case may be, to such member, if the person succeeds in getting elected as a Director.

Substituted by
Special Resolution
passed at the
Annual General
Meeting held on
26th December 1983.

2. The Company shall inform its members of the candidature of the person for the office of Director or the intention of a member to propose such person as a candidate for that office by serving individual notices on the members not less than seven days before the meeting.

PROVIDED also that it shall not be necessary for the Company to serve individual notices on the members not less than seven days before the meeting.

PROVIDED that it shall be necessary for the Company to serve individual notices upon the members as aforesaid if the Company advertises such candidature or intention not less than seven days before the meeting in at least two newspapers circulating in the place where the registered office of the Company is located, of which one is published in the English language and the other in the regional language of that place.

- (3) Every person (other than a Director retiring by rotation or otherwise or a person who has left at the office of the Company a notice under Section 257 of the Act signifying his candidature for the office of a Director) proposed as a candidate for the Office of a Director shall sign and file with the Company his consent in writing to act as a Director if appointed.

- (4) A person, other than -

- a. a Director re-appointed after retirement by rotation or immediately on the expiry of his term of office, or
- b. an additional or alternate Director or a person filling a casual vacancy in the office of a Director under section 262 of the Act, appointed as a Director or re-appointed as an additional or alternate Director immediately on the expiry of his term of office shall not act as a Director of the Company unless he has within thirty days of his appointment signed and filed with the Registrar his consent in writing to act as such Director.

170. (1) The Company shall keep at its registered office a Register containing the particulars of its Directors and other persons mentioned in Section 303 of the Act, and shall send to the Registrar a Return containing the particulars specified in such Register, and shall otherwise comply with the provisions of the said Section in all respects.

Register of
Directors etc. and
notification of
change to Registrar.

- (2) The Company shall keep at the registered office a Register showing as respects each Director of the Company the number, description and amount of any shares in or debentures of the Company or any other body corporate being the Company's subsidiary or holding company or a subsidiary of the Company's holding company which are held by him or in trust for him or of which he has any right to become the holder whether on payment or not, as required by Section 307 of the

Act. Such Register shall be kept open for inspection by any member or debenture holder of the Company as required by Section 307 (5) of the Act.

Disclosure by
Director of appoint-
ment to any other
body corporate.

171. Every Director (including a person deemed to be a Director of the Company by virtue of the explanation to sub-section (1) of Section 303 of the Act), Managing Director, Manager or Secretary of the Company who is appointed to or relinquishes office of Director, Managing Director, Manager or Secretary of any other body corporate shall within thirty days of his appointment to, or as the case may be, relinquishment of such office, disclose to the Company the particulars relating to the office in the other body corporate which are required to be specified under sub-section (1) of Section 303 of the Act.

Disclosure by
Directors of
their holding
of shares and
debentures of
the Company.

172. Every Director and every person deemed to be Director of the Company by virtue of sub-section (10) of Section 307 of the Act shall give notice to the Company of such matters relating to himself as may be necessary for the purpose of enabling the Company to comply with the provisions of that section. Any such notice shall be given in writing and if it is not given at a meeting of the Board the person giving the notice shall take all reasonable steps to secure that it is brought up and read at the first meeting of the Board next after it is given.

MANAGING DIRECTOR - WHOLE TIME DIRECTOR

Board of Directors
may appoint
Managing Director
or Whole-time
Director(s)

173. (A) Subject to the provisions of the Act, the Directors may from time to time appoint and re-appoint any one or more of their body to be a Managing Director or Managing Directors (which expression shall include a Deputy Managing Director in these Articles 173 through 176) or Whole-Time Directors of the Company for such term not exceeding five years at a time as may be thought fit to manage the business affairs of the Company and may from time to time (subject to the provisions of any contract between him and them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.

Substituted by
Special Resolution
passed at the
Extraordinary
General Meeting
held on April 19,
2005.

to retire.

(b)

The Managing Director or whole-time Director, while he continues to hold that office shall not be subject to retirement by rotation but he shall, subject to the provisions of any contract between him and the Company, be subject to the same provisions as to resignation or removal of the other Directors of the Company and he shall ipso facto immediately cease to be Managing Director or Whole-Time Director if he ceases to hold the office of a Director for any cause; provided that if at any time the number of Directors (including

the Managing Director or Whole-Time Director) as are not subject to retirement by rotation shall exceed one-third of the total number of the Directors for the time being, then such Managing Director or Managing Directors or Whole-Time Director or Whole-Time Directors as the Board of Directors shall from time to time select, shall be liable to retirement by rotation to the extent that the Directors not liable to retirement by rotation shall not exceed one-third of the total number of Directors for the time being.

174. Deleted.

175. The remuneration of the Managing Director or whole time Director shall (subject to Section 309 to 311 and other applicable provisions of the Act and of these Articles and of any contract between him and the Company) be fixed by the Directors, from time to time and may be by way of fixed salary and/or perquisites or commission on profits of the Company or by participation in such profits, or by fee for each meeting of the Board or by and or all these modes or any other mode not expressly prohibited by the Act.

Remuneration of
Managing or
whole-time
Director(s).

176. Subject to the superintendence, control and direction of the Board the day to day management of the Company shall be in the hands of the Managing Director(s) or whole-time Director(s) appointed under Article 173 with power to the Board to distribute such day to day management functions among such Director(s) in any manner as deemed fit by the Board and subject to the provisions of the Act and these Articles the Board may by resolution vest any such Managing Director or Managing Directors or whole time Director or whole time Directors such of the powers hereby vested in the Board generally as it thinks fit and such powers may be made exercisable for such period or periods and upon such conditions and subject to such restrictions as it may determine and the Directors may subject to the provisions of the Act and these Articles confer such powers either collaterally with or to the exclusion of or in substitution for all or any of the powers of the Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers.

Powers and duties
of Managing and
or whole-time
Director(s).

PROCEEDINGS OF THE BOARD OF DIRECTORS

177. The Directors may meet together as a Board for the despatch of business from time to time, and unless the Central Government by virtue of the proviso to Section 285 of the Act otherwise directs, shall so meet at least once in every three months and at least four such meetings shall be held in every year. The Directors may adjourn and otherwise regulate their meetings as they think fit.

Meeting of
Directors.

178. (1) Notice of every meeting of the Board of Directors shall be given in writing to every Director at his usual address whether in India or elsewhere.

Notice of
Meetings.
Substituted by
Special
Resolution
passed at the
Extraordinary
General Meeting
held on September
27, 1953.

When meeting
to be convened.

(2)

A Director may at any time and the Secretary upon the request of a Director made at any time shall convene a meeting of the Board of Directors by giving a notice in writing to every Director for the time being in India and at his usual address in India to every other Director. Notice may be given by telex or telegram to any Director who is not in India.

Quorum

179. a.

Subject to Section 287 of the Act the quorum for a meeting of the Board of Directors shall be one-third of its total strength (excluding Directors, if any, whose places may be vacant at the time and any fraction contained in that one-third being rounded off as one) or two Directors whichever is higher, PROVIDED that where at any time the number of interested Directors at any meeting exceeds or is equal to two-third of the total strength, the number of the remaining Directors (that is to say, the number of Directors who are not interested) present at the meeting being not less than two shall be quorum during such time.

b. For the purpose of clause (a)

i. "Total strength" of the Board of Directors of the Company shall be determined in pursuance of the Act, after deducting therefrom number of the Directors, if any, whose places may be vacant at the time and

ii. "Interested Directors" means any Director whose presence cannot by reason of Article 158 hereof or any other provisions in the Act count for the purpose of forming a quorum at a meeting of the Board, at the time of the discussion or vote on any matter.

Procedure when
meeting adjourned
for want of
quorum.

180. If a meeting of the Board could not be held for want of quorum, then the meeting shall automatically stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday at the same time and place.

Chairman

181.

a. The Board of Directors may appoint one of their member to act as Chairman of the Company who shall, if present, preside over the meetings of the Board of Directors and General Meetings of the Company.

Substituted by Special
Resolution passed at
the Extraordinary
General Meeting held
on April 19, 2005.

Vice-Chairman

b. The Board of Directors may also appoint one of their other members to act as Vice-Chairman of the Company who shall, in the absence of Chairman, preside over the meetings of the Board of Directors and General Meetings of the Company.

Substituted by Special
Resolution passed at
the Extraordinary
General Meeting held
on April 19, 2005.

a Director for any reason, Mr. B. N. Kalyani shall be the Chairman of the Board of Directors.

- (d) Subject to the provisions of the preceding sub-clauses, the Directors may elect the Chairman of the Board and determine the period for which he is to hold the office.

- (e) The Chairman and in his absence the Vice-Chairman, if any, shall preside at all the meetings. If at any time the Chairman as well as the Vice-Chairman are not present at the time appointed for holding the meeting, the Directors present shall choose one of their member to be the Chairman of such meeting. In the case of an equality of votes the Chairman shall not have a casting vote. Chairman to preside at all meetings.

182. Subject to provisions of Section 316, 372(3) and 386(2) of the Act, questions arising at any meeting of the Board shall be decided by a majority of votes. The Chairman shall not have second or casting vote.

Questions at Board Meeting how decided.

Substituted by Special Resolution passed at the Extraordinary General Meeting held on April 19, 2005.

any purchase, sale or lease of machinery, equipment, tooling, land or building, in excess of Rupees 5,000,000 beyond Board approved Finance Plans and Budgets;

- (vi) any change in the capital structure of the Company including the issuance of additional shares, being bought-out etc., and

- (vii) any investment or financing in or to other firms or companies, and establishments of any new firm or Company.

- (viii) any grant or receipt of patent, know-how or other technology licences excluding those with SHARP or any subsidiaries of SHARP;
- (ix) any change in the capital structure of the Company including the issuance of additional shares;
- (x) any investment or financing in or to other firms or companies, and establishments of any new firm or company;
- (xi) any decision regarding legal actions, arbitrations and other like matters except in all emergency circumstances;
- (xii) adoption of, or modification to the Three Years Financial Plans, the Annual Capital Budget or the Annual Operating Budget;
- (xiii) determination or alteration of important marketing policy, which is referred to the Board by Managing Director and Deputy Managing Director;
- (xiv) establishment, change or closing of factories and sales offices;
- (xv) appointment or change of bankers and insurers.

**Powers of
Board Meetings.**

183. A meeting of the Board of Directors for the time being, at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions which, by or under the Act or these Articles or the regulations for the time being of the Company, are vested in or are exercisable by the Board of Directors generally.

**Directors may
appoint committees.**

184. The Board of Directors may, subject to the provisions of Section 292 and other relevant provisions of the Act and of these Articles, appoint committees of the Board, and delegate any of the powers other than the powers to make calls and to issue debentures to such committee or committees and may from time to time, revoke and discharge any such committees of the Board either wholly or in part and either as to the persons or purposes, but every committee of the Board so formed shall, in exercise of the powers so delegated conform to any regulation that may from time to time, be imposed on it by the Board of Directors. All acts done by any such committee of the Board in conformity with such regulations and in fulfilment of the purpose of their appointment, but not otherwise, shall have the like force and effect, as if done by the Board. The Board may also confer upon any such committee the power to further delegate any of the powers and authorities delegated to such Committee in favour of any person or persons.

**Meeting of the
Committee how
to be governed.**

185. The meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superceded by any regulations made by the Directors under the last preceding Article.

136. 1. A resolution passed by circular without a meeting of the Board or a Committee of the Board appointed under Article 184 shall, subject to the provisions of sub-clause (2) hereof and the Act, be as valid and effectual as the resolution duly passed at meeting of the Directors or of a Committee duly called and held. Circular Resolution.

2. A resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, if the resolution has been circulated in draft together with necessary papers, if any, to all the Directors or to all the members of the Committee then in India (not being less in number than in the quorum fixed for a meeting of the Board or Committee as the case may be), and to all other Directors or members of the Committee at their usual addresses in India and has been approved by such of the Directors or members of the Committee as accin India or by a majority of such as are in India.

Altered by 186. (13) Notwithstanding the provisions of sub-clause (2) hereinafter of this Article 186, resolutions to be passed by circular shall be effective only after being circulated to all directors.
Special Resolution passed at the Extraordinary General Meeting held on September 27, 1995.

187. An act, done by any meeting of the Board or by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of one or more of such Directors or any person acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them is deemed to be terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed and was qualified to be a Director. Committee valid notwithstanding defect in appointment.

Provided nothing in this Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

POWERS OF THE BOARD

188. The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as are not, by the Act, or any other Act or by the Memorandum or by the Articles of the Company, required to be exercised by the Company in general meeting, subject nevertheless to these Articles to the provisions of the Act, or any other Act and to such regulation (being not inconsistent with the aforesaid regulations or provisions) as may be prescribed by the Company in general meeting. Powers of Directors.

but no regulations made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made, PROVIDED that the Board shall not, except with the consent of the Company in general meetings;

- a. sell, lease or otherwise dispose of the whole or substantially the whole, of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any such undertaking.
- b. remit, or give time for the payment of any debt due by a Director.
- c. invest otherwise than in trust securities the amount of compensation received by the Company in respect of the compulsory acquisition of any such undertaking as is referred to in clause (a), or of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after a considerable time;
- d. borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purposes; or
- e. contribute to charitable and other funds not directly relating to the business of the Company or the welfare of its employees, any amounts the aggregate of which will, in any financial year, exceed twentyfive thousand rupees or five per cent of its average net profits as determined in accordance with the provisions of Sections 349 and 350 of the Act during the three financial years immediately preceding, whichever is greater;
- (i) Provided that in respect of the matter referred to in clauses (d) or (e), such consent shall be obtained by a resolution of the Company which shall specify the total amount upto which moneys may be borrowed by the Board under clause (d) or as the case may be, total amount which may be contributed to charitable or other fund in any financial year under clause (e);

- (ii) Provided further that the expression "temporary loans" in clause (d) above shall mean loans repayable on demand or within six months from the date of the loan such as short term, cash credit arrangements the discounting of bills and the issue of other short term loans of a reasonable character, but does not

include loans raised for the purpose of financing expenditure of a capital nature.

(iii) Provided that the Company in general meeting or the Board shall not contribute any amount to any political party or for any political purpose to any individual or body so long as it is prohibited by law.

189. (1) Without derogating from the powers vested in the Board of Directors under these Articles the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolutions passed at the meetings of the Board :-

Certain powers to be exercised by the Board only at meetings.

- (a) The power to make calls on share holders in respect of money unpaid on their shares;
- (b) The power to issue debentures;
- (c) The Power to borrow moneys otherwise than on debentures;
- (d) The power to invest the funds of the Company;
- (e) The power to make loans;

Provided that the Board may, by resolution passed at a meeting, delegate to any Committee of Directors, Managing Director or any other principal officer of the Company, or in case of a branch office of the Company a principal officer of the branch office the powers specified in (c), (d) and (e) of this clause to the extent specified below :-

- (2) Every resolution delegating the power referred to in sub-clause (1)(c) shall specify the total amount, outstanding at any one time, upto which moneys may be borrowed by the delegate.
- (3) Every resolution delegating the power referred to in sub-clause (1)(d), shall specify the total amount upto which the funds of the Company may be invested, and the nature of the investments which may be made, by the delegate.
- (4) Every resolution delegating the power referred to in sub-clause (1)(e) shall specify the total amount upto which loans may be made by the delegates, the purpose for which the loans may be made and the maximum amount of loans which may be made for each such purpose in individual cases.
- (5) Nothing in this Article contained shall be deemed to affect the right of the Company in general meeting to impose restrictions and conditions on exercise by the Board of any of the powers referred to in sub-clause (a), (b), (c), (d) and (e) of clause (1) above.

Specific powers
of Directors.

190. (A) Subject to the restrictions contained in the Act and in these Articles, the Directors shall have power to do all acts and things which they shall consider proper or advantageous for accomplishing the objects, or carrying on the business of the Company and in particular, but without derogating from the generality of the foregoing powers or without prejudice to other powers conferred by these Articles, the Directors shall have the following powers, viz :

To promote
companies.

- (1) To pay all or any of the costs, charges and expenses of or incidental to the promotion, incorporation and establishment of any other company promoted by the Company and pay commissions and brokerages in respect of the placing of any of the shares of any other company promoted or formed by the Company.

To purchase
property and rights.

- (2) Subject to Section 292, 297 and 360 of the Act, to purchase, take on lease for any term or terms of years, exchange or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire, at or for such price, consideration, rent or compensation and generally, subject to such terms and conditions as the Directors may think fit, and in any such purchase, lease or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.

To pay for
property and assets
in cash, shares,
debentures etc.

- (3) At their discretion and subject to the provisions of the Act, to pay for any property, assets, rights or privileges acquired by or services rendered to the Company, either wholly or partly, in cash, or in shares, bonds, debentures, mortgages or other securities of the Company or in such other manner as the Directors shall think fit. Any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures, mortgages or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.

To purchase factories,
lands, etc.

- (4) Subject to the provisions of the Act, to purchase or to take on lease for any term or terms of years, or otherwise acquire any factories or any land or lands, with or without buildings and outhouses thereon, situate in any part of India, or elsewhere at such price, consideration, rent or compensation and subject to such terms and conditions as the Directors may think fit; and in any such purchase, lease or other acquisition proceedings, to accept such title as the

Directors may believe or may be advised to be reasonably satisfactory.

- (5) To erect and construct, on Company's land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same.
- To erect and/or to improve.
- (6) To let or lease all or any part of the property of the Company for such rent and subject to such conditions as may be thought advisable; to sell or exchange for such price or consideration and on such terms and conditions as may be deemed fit, the whole or part of the land, buildings and other property of the Company which may not be required for the immediate purpose of the Company; to mortgage the whole or any portion of the property of the Company for the purpose of the Company, to sell all or any portion of the machinery or stores belonging to the Company.
- To sell, mortgage, let, lease and exchange properties.
- (7) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper, all or any part of the buildings, machinery, goods, stores, produce and other movable and immovable property and assets of the Company either separately or jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of insurance effected in pursuance of this power.
- To insure Company's property & assets.
- (8) To take any conveyance, assignment or lease in the name of trustees for the Company.
- To take conveyance etc. in the name of trustees.
- (9) To borrow on behalf of the Company in the manner provided hereinafter in Articles 84 to 85 (both inclusive).
- To borrow.
- (10) To secure the repayment of any money borrowed or raised on behalf of the Company, either wholly or partly in cash or in shares or by a specific mortgage, charge or other security of the Company, and its uncalled capital for the time being or in such manner as the Directors may think fit. Any such shares may be either issued as fully paid up, or with such amount credited as paid up thereon, as may be agreed upon. Such mortgage or other security may or may not be by way of specific charge upon all or any part of the property and assets of the Company but any debentures or debenture stock shall only be issued in accordance with the provisions of the Act.
- To secure repayment of moneys borrowed.

- To secure contracts by mortgage.
- (11) To secure fulfilment of any contract, agreement or engagement entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as the Directors may think fit.
- To give security by way of indemnity.
- (12) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur, any personal liability whether as principal or surety, for the benefit of the Company, such mortgages or charges on the Company's property (present or future) as they may think fit; and any such mortgage or charge may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon.
- To open accounts with Bank.
- (13) To open accounts with any bank or bankers or with any Company, firm or individual and to pay money into and draw money from any such account, from time to time, as the Directors may think fit.
- To issue bills, etc.
- (14) To draw, accept, endorse, discount, execute, issue and sign on the Company's behalf, promissory notes, receipts, acceptances, endorsements, cheques, releases, contracts, drafts debentures, bills of exchange, bills of lading and other negotiable or transferable instruments or securities and documents of all kinds and to do all or any of the aforesaid things on behalf of the Company and to give the necessary authority for such purpose.
- To purchase Government Securities.
- (15) To purchase, sell, endorse or surrender for renewal Government promissory notes, or Government war loan bonds or any other securities issued by the Government of India or the Government of any State or by a local authority.
- To purchase shares, etc. in other Companies.
- (16) To subscribe for, purchase, acquire hold and sell the bonds, debentures, shares, stock or other securities of any other Company with limited liability, wherever established, and generally to invest the moneys of the Company upon such investments as may, from time to time, be determined by them.
- To invest moneys.
- (17) Subject to the provisions of Sections 77, 292, 293(1), 295, 370 and 372 of the Act, to invest and deal with any moneys of the Company not immediately required for the purposes thereof, upon such security (not being shares of this Company) or without security

and in such manner as they may think fit, and, from time to time, vary or realise such investments.

- (18) To advance any moneys of the Company on mortgage or such other security (except the shares of the Company) and on such title or evidence of title as they may think fit without incurring any personal responsibility thereby.
- To advance moneys.

- (19) To sell, lease, mortgage, charge or exchange the whole of the property, assets and undertaking of the Company, or any part thereof, including all uncalled capital of the Company, and subject or not subject to all or any of its liabilities and obligations at such times and in such manner and on such conditions and for such consideration as they may think fit and in particular for shares (whether wholly or partially paid), debentures or securities of any other Company.
- To dispose of the Company's property.

Provided that any contract for the transfer of, or any sale of, the undertaking of the Company as a going concern shall be subject to the approval of the Company in General Meeting.

- (20) Subject to Sections 294, 297 and 309 of the Act, for or in relation to any of the matters within their authority or otherwise for the purposes of the Company, to enter into all such negotiations and contracts and rescind or vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient for, or in relation to any of the matters aforesaid, or otherwise for the purposes of the Company.
- To enter into, vary and rescind contracts.

(21) To accept from any member, so far as may be permissible by law and these presents, a surrender of his share or any part thereof, on such terms and conditions as shall be agreed.

To accept surrender of shares.

- (22) To appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested, or for any other purposes, and to execute and do all such deeds and things as may be required in relation to any such trust and to give any trustee or trustees such remuneration and/or indemnity as may be deemed fit.
- To appoint trustees.

- (23) To make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company.
- To give receipts and discharges.

- To bring and defend actions, etc.
- (24) To institute, conduct, defend, compound, or abandon any legal proceedings by or against the Company or its officers, or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due and of any claims or demands by or against the Company.
- To act in insolvency.
- (25) To act on behalf of the Company in all matters relating to bankruptcy and insolvency.
- To refer to arbitration.
- (26) To refer any claims or demands by or against any Company or any differences to arbitration and observe and perform any awards made thereon.
- To compromise suits, etc.
- (27) To compromise and release or forego any action, suit, right or claim on behalf of the Company in respect of any matter in which the Company may be interested.
- To allow property to remain with Directors, etc.
- (28) To allow any of the property of the Company to remain with or be vested in any Director, Officer or agent of the Company without being liable for any loss or damage arising therefrom.
- To appoint officers, employees, etc.
- (29) To appoint and at their discretion, discharge, remove or suspend such managers, secretaries, officers, assistants, supervisors, clerks, solicitors, consultants, brokers, agents and servants from permanent, temporary or special services as they may from time to time think fit and to invest them with such or special authority as they may think expedient, and to determine their powers and duties and fix their salaries, emoluments or remunerations and to require from them security in such instances, and for such amount, as they may think fit. And also without prejudice as aforesaid from time to time, to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit.
- To pay special remuneration to Directors.
- (30) To award to any Director such special remuneration as is permissible under the Act and these Articles.
- To remunerate persons by way of bonus or commission on profits.
- (31) To distribute by way of bonus amongst the employees of the Company including a Director, a share in the profits of the Company, and to give to any person employed by the Company, including a Director, a commission on the profits of any particular business or transaction or a share in the general profits of the Company and to charge such bonus, commission or share of profits as part of the working expenses of the Company.

- (32) To ratify an act or thing executed or done by any disqualified officer of the Company, or any improperly constituted Board or Committee or any unauthorised person purporting to act on their behalf, or on behalf of the Company, and on such act or thing being so ratified, the same shall have the same force and effect as if such act or thing had been originally executed or done by the Directors properly appointed and acting in due form.
- To ratify unauthorised act.
- (33) From time to time to make, vary and repeal bye-laws for the regulation of the business of the Company, its officers and servants.
- To make, vary and repeal bye-laws.
- (34) Subject to the provisions of Sections 293 and 293A of the Act and Articles of these presents, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national, educational, public, or any other institutions, objects or purposes or for any exhibition.
- To make contributions.
- (35) To provide for the welfare of the Directors or ex-Directors or the employees or co-employees of the Company and the wives, widows and families of the dependents or connections of such persons irrespective of whether they have or have not a legal claim on the Company, by building or contributing to the building of houses, dwellings or quarters, or by grants of money, pensions, gratuities, allowances, bonuses or other payments or by creating and maintaining any sum or sums of money out of the funds of the Company to any provident, superannuation, pension, or gratuity fund or other associations, institutions, funds or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendance, and other assistance as the Board of Directors shall think fit.
- To provide for welfare of Directors, employees, etc.
- (36) To pay the commission and brokerage referred to in Articles 31 and 32 respectively.
- To pay commission etc.
- (37) Subject to Section 292 of the Act, from time to time and at any time to delegate to any person or committee any of the powers, authorities, discretions for the time being vested in the Board of Directors other than their power to make calls or loans or borrow moneys and to authorise any such person or members for the time being of any such committee or any of them to fill up any vacancies therein and to act notwithstanding vacancies and any such appointment or delegation may be made on such terms
- To delegate their powers.

and subject to such conditions as the Board of Directors may think fit and the Board of Directors may at any time remove any persons so appointed, and may annul or vary any such delegation.

In carry out
objects of the
Company.

(38) To exercise and carry into effect any or all of the objects and powers mentioned or referred to in the Memorandum of Association.

Option in
commencement of
any branch of
business.

(39) Any branch or kind of business which by the Memorandum of Association of these Articles is either expressly or by implication authorised to be undertaken by the Company, may be undertaken by the Board at such time or times as they shall think fit and further may be suffered by them to be in abeyance (whether such branch or kind of business may have been actually commenced or not) so long as the Board may deem it expedient not to commence or proceed with such branch or kind of business.

Power of
attorney.

190. (B) The Directors may at any time, and from time to time by power of attorney under the seal of the Company, appoint any person or persons to be the attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these presents and excluding the power to make calls or to issue debentures and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys), and for such period and subject to such conditions as the Board of Directors may from time to time think fit; and any such appointment may, if the Board of Directors think fit, be made in favour of the members, or any of the members of any local Board established as aforesaid, or in favour of any Company or of the members, directors, nominees, or managers of any Company or firm or otherwise in favour of any fluctuating body of persons, whether nominated directly or indirectly by the Board of Directors and any such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorneys as the Board of Directors may think fit and may also contain powers authorising any such delegates or attorneys to subdelegate all or any of the powers, authorities and discretions vested in them.

Certain powers
of the Board.

191. Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict those powers and without prejudice to the last preceding Article it is hereby declared that the Directors shall have the following powers that is to say, power —

(1) to pay the costs, charges and expenses preliminary and

- incidental to the formation, promotion, establishment and registration of the Company;
- (2) to pay and charge the capital account of the Company any commission or interest, lawfully, payable thereout under the provisions of Sections 76 and 208 of the Acts
 - (3) Subject to Sections 202 and 297 of the Act to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire at or for such price or consideration and generally on such terms and conditions as they may think fit and in any such purchase or other acquisition accept such title as the Directors may believe or may be advised to be reasonably satisfactory
 - (4) at their discretion and subject to the provisions of the Act to pay for any pre-emptory rights, or privileges by or services rendered to the Company either wholly or partially in cash or in shares, bonds, debentures, mortgages or other securities of the Company, and any such shares may be issued either as fully paid up or with such amount credited as paid up, thereon as may be agreed upon, and any such bonds, debentures, mortgages or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged
 - (5) to secure the fulfilment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit;
 - (6) to accept from any member, so far as may be permissible by law, a surrender of his shares or any part thereof, on such terms and conditions as shall be agreed;
 - (7) to appoint any person to accept and hold in trust for the Company any property belonging to the Company, or in which it is interested or for any other purposes and to execute and do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees;
 - (8) to institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its officer, or otherwise concerning the affairs of the Company, and also to compound and allow time for payment on satisfaction of any debts due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian Law or according to foreign law and either in India or abroad and observe

and perform or challenge any award made therein;

(9) to act on behalf of the Company in all matters relating to bankrupts and insolvents;

(10) to make and give receipts, release and other discharge for moneys payable to the Company and for the claims and demands of the Company;

(11) Subject to the provisions of Sections 292, 293 (U, 295, 370, 372 and 373 of the Act to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such security (not being the shares of this Company) or without security and in such manner as they may think fit, and from time to time to vary or realise such investments. Save as provided in Section 49 of the Act, all investments shall be made and held in the Company's own name;

(12) to execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety for the benefit of the Company, such mortgage of the Company's property (present and future) as they think fit; and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon;

(13) to determine from time to time who shall be entitled to sign, on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts, and documents and to give the necessary authority for such purpose;

(14) to distribute by way of bonus amongst the staff of the Company a share or shares in the profits of the Company, and to give to any officer or other person employed by the Company a commission on the profits of any particular business or transaction; and to charge such bonus or commission as a part of working expenses of the Company;

(15) to provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and wives, widows, and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwellings or chawls or by grants of money, pensions, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing to provident and other associations, institutions, funds, or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit, and subject to

the provisions of the Section 293 (1)(e) of the Act to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or objects which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of public and general utility or otherwise, subject to the provision of Section 205 of the Act;

- (16) before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation fund, or to insurance fund, or as a reserve fund or sinking fund or any special fund to meet contingencies or to repay debentures or debenture stock or for special dividends or for equalising dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purposes referred to in the preceding clause), as the Board may, in their absolute discretion, think conducive to the interest of the Company, and subject to Section 292 of the Act, to invest the several sums so set aside or so much thereof as required to be invested, upon such investments (other than share of this Company) as they may think fit, and from time to time, to deal with and vary such investments, and dispose of and apply and expend all or any part thereof for the benefit of the Company, in such manner and for such purposes as the Board in their absolute discretion think conducive to the interest of the Company notwithstanding that the matters to which the Board apply or upon which they expend the same, or any part thereof may be matters to or upon which the capital moneys of the Company might rightly be applied or expended; and to divide the reserve fund into such special funds as the Board may think fit, with full power to transfer the whole or any portion of a reserve fund or division of a reserve fund to another reserve fund and/or division of a reserve fund and with full power to employ the assets constituting all or any of the above funds including the depreciation fund, in the business of the Company or in purchase or repayment of debentures or debenture stock and that without being bound to keep the same separate from the other assets and without being bound to pay interest on the same, with power however to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper.

- (17) to appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants from permanent,

temporary or special services as they may from time to time think fit, and to determine their powers and duties, and to fix their salaries, emoluments or remuneration, and to require security in such instances and to such amounts as they may think fit, and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit; and the provision contained in the next following sub-clauses shall be without prejudice to the general powers conferred by this sub-clause;

(18) to comply with the requirement of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with;

(19) from time to time and at any time to establish any Local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any persons to be members of such Local Boards, and to fix their remuneration;

(20) subject to Section 292 of the Act, from time to time, and at any time to delegate to any persons so appointed any of the powers, authorities, and discretions for the time being vested in the Board, other than their power to make calls or to make loans or borrow moneys; and to authorise the member for the time being of any such Local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and such appointment or delegation may be made on such terms subject to such conditions as the Board may think fit, and the Board may at any time remove any person so appointed, and may annul or vary any such delegation;

(21) at any time and from time to time by Power of Attorney under the Seal of the Company, to appoint any person or persons to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and any such appointments may (if the Board thinks fit) be made in favour of the members or any of the members of any local board established as aforesaid or in favour of any Company, or the shareholders, Directors, nominees or managers of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of Attorney may contain such powers for

the protection or convenience of persons dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys, as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them;

(22) subject to Sections 294, 294A, 297 and 300 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient;

(23) from time to time make, vary and repeal bye-laws for the regulation of the business of the Company, its officers and servants.

(24) To insure and keep insured against loss or damage by fire or otherwise, for such period and to such extent as they may think proper, all or any part of the buildings, plant, machinery, vessels, vehicles, goods, stores, produce and all other moveable and immoveable property of the Company, either separately or conjointly, and to assign, surrender or discontinue any policies of insurance effected in pursuance of this power.

(25) To open accounts with any bank or bankers or with any company, firm or individual and to pay money into and draw money from or otherwise operate any such account from time to time as they may think fit;

(26) To attach to any shares to be issued as the consideration or part consideration for any contract with or property acquired by the Company or in payment for services rendered to the Company. Such conditions as to the transfer thereof as they think fit;

(27) Generally, from time to time and at any time to delegate (with or without powers of sub-delegation) all or any of the powers, authorities, discretions for the time being vested in the Directors to any employee of the Company or to any other persons, firm or body corporate or otherwise to any fluctuating body of persons.

192. Acts done or actions taken by the Company through any of its Executives, Officers and Servants, when noted or ratified by the Board of Directors or by the Committee of Directors shall be deemed to have been done and taken under the exercise of the powers to the Board hereunder.

Power to
ratify.

MINUTES

Minutes to be
considered
evidence.

197. 1) The Company shall cause minutes of all proceedings of general meetings and of all proceedings of every meeting of the Board of Directors or of every Committee of the Board to be kept by making within thirty days of the conclusion of every such meeting concerned entries thereof in books kept for that purpose with their pages consecutively numbered.
- 2) Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed.
 - a) in the case of minutes of proceedings of a meeting of Board or of a Committee thereof by the Chairman of the said meeting or the Chairman of the next succeeding meeting; and
 - b) in the case of minutes of proceedings of the general meeting, by the Chairman of the said meeting within aforesaid period of thirty days or in the event of the death or inability of that Chairman within that period by a Director duly authorised by the Board for the purpose.
- 3) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
- 4) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereof.
- 5) All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meeting.
- 6) In the case of a meeting of the Board of Directors or of a Committee of the Board, the minutes shall contain:
 - a) the names of the Directors present at the meeting.
 - b) in the case of each resolution at the meeting the names of the Directors if any, dissenting from or not concurring in the resolution.
- 7) Nothing contained in clauses (1) to (6) hereof shall be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting :
 - a) is or could reasonably be regarded as defamatory of any person;
 - b) is irrelevant or immaterial to the proceedings; or

c) is detrimental to the interests of the Company.

The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in this sub-clause.

194. The minutes of meeting kept in accordance with the provisions of Section 193 of the Act shall be evidence of the proceedings recorded therein.

Minutes to be evidence of the proceedings.

195. Where the minutes of the proceedings of any general meeting of the Company or of any meeting of the Board or of a Committee of Directors have been kept in accordance with the provisions of Section 193 of the Act, until the contrary is proved, the meeting shall be deemed to have been duly called and held, all proceedings thereof to have been duly taken place and in particular all appointments of Directors or Liquidators made at the meeting shall be deemed to be valid.

Prescriptions to be drawn where Minutes duly drawn and signed.

196. 1) The books containing the minutes of the proceedings of any general meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 196 of the Act be determined by the Company in general meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges.

Inspections of Minutes books of General Meetings.

2) Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof on payment of thirty-seven paise for every hundred words or fractional part thereof required to be copied.

197. No document purporting to be a report of the proceedings of any general meeting of the Company shall be circulated or advertised at the expenses of the Company unless it includes the matters required by Section 193 of the Act to be contained in the minutes of the proceedings of such meeting.

Publication of Report of proceedings of General Meeting.

MANAGEMENT

198. The Company shall not appoint or employ at the same time more than one of the following categories of managerial personnel, namely:

Prohibition of simultaneous appointment of different categories of managerial personnel.

a) Managing Director.

b) Manager.

THE FINANCIAL CONTROLLER AND COMPANY SECRETARY

Financial
Controller and
Company Secretary.

199. The Financial Controller and Company Secretary shall always be appointed by the Board of Directors. They must respectively be qualified Chartered Accountant and qualified Company Secretary and their remuneration terms shall be determined by the Board of Directors on the recommendation of the Managing Director and the Deputy Managing Director.

THE SEAL

The seal, its
custody and
use.

200. 1) The Board of Directors shall provide a Common Seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, under such regulations as the Board may prescribe.

2) The Seal shall not be affixed to any instrument except by the authority of the Board of Directors or a Committee of the Board previously given and in the presence of at least one Director of the Company, and the Secretary of the Company or such other person the Board may appoint in that behalf who shall sign every instrument to which the Seal is affixed. Provided that the certificates of shares or debentures shall be sealed in the manner and in conformity with the provisions of the Companies (Issue of Share Certificates) Rules, 1960, and their statutory modifications for the time being in force.

DIVIDEND

Division of
profits.

201. (A) The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these Articles of Association and subject to the provisions of these Articles, shall be divisible among the members in proportion to the amount of capital paid-up or credited as paid-up on the shares held by them respectively.

(B) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividend as from a particular date, such share shall rank for dividend accordingly.

(C) Unless recommended otherwise pursuant to Article 182 hereof and subject to, (a) the provisions of any loan agreements imposing contrary restrictions on the Company and, (b) restrictions and requirements imposed by law, the Company shall annually pay dividends equal to approximately 50% of its distributable profits after taxes, namely all profits which are capable of being distributed as dividends, after providing for amortisation of the principal amount of all term-loan obligations and losses carried forward.

202. The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interest in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 207 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a similar dividend in general meeting.

203. 1) No dividend shall be declared or paid by the Company for any financial year except out of the profits of the Company for that year arrived at after providing for depreciation in accordance with the provisions of sub-clause (2) or out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with those provisions and remaining undistributed or out of both or out of the moneys provided by the Central Government or State Government for the payment of dividend in pursuance of guarantee given by the Government and except after the transfer to the reserve of the Company of such percentage out of the profit for that year not exceeding ten percent as may be prescribed or voluntarily such higher percentage in accordance with the rules as may be made by the Central Government in that behalf, PROVIDED HOWEVER whether owing to inadequacy or absence of profits in any year, the Company proposes to declare out of the accumulated profits earned by the Company in previous years and transferred by it to the reserves, such declaration of dividend shall not be made except in accordance with such rules as may be made by the Central Government in this behalf, and whether any such declaration is not in accordance with such rules, such declaration shall not be made except with the previous approval of the Central Government.

2)

The depreciation shall be provided either —

- a) to the extent specified in Section 350 of the Act, or
- b) in respect of each item of depreciable asset, for

- such an amount as is arrived at by dividing 95 per cent of the original cost thereof to the Company by the specified period in respect of such assets, or
- c) on any other basis approved by the Central Government which has the effect of writing off by way of depreciation 95 per cent of the original cost to the Company of its such depreciable asset on the expiry of the specified period; or
 - d) as regards any other depreciable assets for which no rate of depreciation has been laid down by the Indian Income-tax Act, 1961 or the Rules made thereunder on such basis as may be approved by the Central Government by any general order published in the Official Gazette or by special order in the case of the Company.

PROVIDED THAT where depreciation is provided for in the manner laid down in clause (b) or clause (c) then in the event of depreciated assets being sold, discarded, demolished or destroyed, the written down value thereof at the end of the financial year in which the asset is sold, discarded, demolished or destroyed shall be written off in accordance with the proviso to Section 350 of the Act.

- 3) No dividend shall be payable except in cash, provided that nothing in this Article shall be deemed to prohibit the capitalisation of the profits or reserves of the Company for the purpose of issuing fully paid up bonus shares or paying up any amount for the time being unpaid on any shares held by members of the Company.
- 4) Nothing in this Article shall be deemed to affect in any manner the operation of Section 208 of the Act.
- 5) For the purposes of this Article 'specified period' in respect of any depreciable asset shall mean the number of years at the end of which at least 95 per cent of the original cost of that asset to the Company will have been provided for by way of depreciation, if depreciation were to be calculated in accordance with the provisions of Section 350 of the Act.

What is to be deemed net profits.

204. The declaration of the Board of Directors as to the amount of the net profits of the Company shall be conclusive.

Interim Dividend.

205. Subject to Article 203 hereof, the Board of Directors may, from time to time, pay to the members such interim dividends as in their judgement the position of the Company justifies.

206. The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.
207. Where the capital is paid in advance of the calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right, to dividend or to participate in profits.
208. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date such share shall rank for dividend accordingly.
209. The Board of Directors may retain the dividend payable upon shares in respect of which any person under Article 72 has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same.
210. No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend to any member all such sums of money so due from him to the Company.
211. A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.
212. Any one of several persons who are registered as joint-holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends or bonus or other moneys payable in respect of such shares.
213. The dividend payable in cash may be paid by cheque or warrant sent through post direct to registered address of the share-holder entitled to the payment of the dividend or in case of joint holders to the registered address of that one of the joint-holders which is first named on the Register of Members or to such person and to such address as the holder or the joint-holder may in writing direct. The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transmission or for any dividend lost, to the member or person entitled thereto by forged endorsement of any cheque or warrant or forged signature on any pay slip or receipt or the fraudulent recovery of the dividend by any other means.
214. Notice of the Declaration of any dividend whether interim or otherwise shall be given to the registered holder of share in the manner herein provided.

Debts may be
deducted.

Capital paid up
in advance at
interest not to
earn dividend.

Dividends in
proportion to amount
paid up.

Retention of
Dividends until
completion of transfer
under Article 72.

No member to
receive dividend
whilst indebted to
the Company and the
Company's right of
retirement thereof.

Effect of transfer
of shares.

Dividend to joint-
holders.

Dividend how
remitted.

Notice of
dividend.

Dividend to be paid within forty-two days.

215. The Company shall pay dividend or send the warrant in respect thereof to the share-holder entitled to the payment of dividend, within forty two days from the date of the declaration unless :

- 1) a) where the dividend could not be paid by reason of the operation of any law;
- b) where a share-holder has given directions regarding the payment of the dividend and those directions cannot be complied with;
- c) where there is a dispute regarding the right to receive the dividend;
- d) where the dividend has been lawfully adjusted by the Company against any sum due to it from the shareholder; or
- e) where for any other reason, the failure to pay the dividend or to post the warrant within the period aforesaid was not due to any default on the part of the Company.

Unclaimed Dividend.

- 2) a) where the dividend has been declared but not paid but the warrant in respect thereof has not been posted, within 42 days from the date of the declaration to any shareholder entitled to the payment thereof, the Company shall within 7 days from the date of expiry of the said period of 42 days transfer the total amount of dividend, which remains unpaid or in relation to which no dividend warrant has been posted within the said period of 42 days, to a special account to be opened by the Company in that behalf in any Scheduled Bank to be called "Unpaid Dividend Account of Kalyani Sharp India Limited.

- b) any money transferred to the Unpaid Dividend Account of the Company in pursuance of sub-clause (1) hereof which remains unpaid or unclaimed for a period of three years from the date of such transfer, shall be transferred by the Company to the General Revenue Account of the Central Government;

- c) the Company shall when making any transfer as per sub-clause (b) hereof to the General Revenue Account of the Central Government any unpaid or unclaimed dividend, furnish to such officer as the Central Government may appoint in this behalf a Statement in the prescribed form setting forth in respect of all sums included in such transfer, the nature of the sums, the names and last known addresses of the persons entitled to receive the sum, the amount to which each person is entitled and the nature of particulars as may be prescribed.

216. No unpaid dividend shall bear interest as against the Company nor forfeited till the claim thereto becomes barred by law.

No interest on dividends.

217. Any general meeting declaring a dividend may on the recommendations of the Directors make the call on the members of such amount as the meeting fixes but so that the call on each member shall not exceed the dividend payable to him, and so that the call be made payable at the same time as the dividend; and the dividend may, if so arranged between the Company and members, be set off against the calls.

Dividend and call together.

CAPITALISATION

218. 1) The Company in General Meeting may, upon the recommendation of the Board, resolve

Capitalisation.

a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of the Company's reserve accounts, or to the credit of the Profit and Loss account or otherwise available for distribution;

and

b) that such sum be accordingly set free for distribution in the manner specified in Clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (3) either in or towards :

i) paying up any amount for the time being unpaid on any shares held by such members respectively;

ii) paying up in full unissued shares of the Company to be allocated and distributed or credited as fully paid up, to and amongst such members in the proportions aforesaid; or

iii) partly in the way specified in sub-clause (i) and partly as specified in sub-clause (ii).

3) A Share Premium Account and a Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.

4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.

Fractional
Certificates.

219. 1) Whenever such a resolution as aforesaid shall have been passed, the Board shall:

- a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares, if any and
- b) generally do all acts and things required to give effect thereto.

2) The Board shall have full power:

- a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in the case of share becoming distributable in fractions; and also
- b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalisation, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised of the amounts or any part of the amounts remaining unpaid on their existing shares.

3) Any agreement made under such authority shall be effective and binding on all such members.

4) For the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.

ACCOUNTS

Books to be
kept.

220. 1) The Company shall keep at its registered office proper books of accounts as would give a true and fair view of the state of affairs of the Company or its transaction with respect to:

- a) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure take place;
- b) all sales and purchases of goods by the Company; and
- c) the assets and liabilities of the Company.

Provided that all or any of the books, of accounts aforesaid may be kept at such other place in India as the Board of Directors may decide and when the Board of Directors so decides the Company shall within seven days of the decision file with the Registrar a notice in writing giving the full address of that other place.

- 2) Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with the provisions of clause (1) if proper books of accounts relating to the transactions effected at the branch are kept at that office and proper summarised returns made upto date at intervals of not more than three months are sent by the branch office to the Company at its registered office or the other place referred to in sub-clause (1).
- 3) The books of accounts and other books and papers shall be open to inspection by any Director during business hours.
- 4) The books of accounts of the Company relating to the period of not less than 8 years immediately preceding the current year together with vouchers relating to any entry in such books of accounts shall be preserved in good order, provided that till the Company completed eight years after its incorporation the books of accounts for the entire period preceding the current year together with vouchers relating to any entry in such books of account shall be so preserved.
221. a) The Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of members not being Directors.
Inspection by members.
- b) No member (not being a Director) shall have any right of inspecting any account books or documents of the Company except as allowed by law or authorised by the Board or the Company in general meeting.
222. The Board of Directors shall in accordance with Sections 210, 211, 212, 215, 216 and 217 of the Act, cause to be prepared and laid before each annual general meeting a Profit and Loss Account for the financial year of the Company and a Balance Sheet made up as at the end of the financial year which shall be a date which shall not precede the day of the meeting by more than six months or such extended period as shall have been granted by the Registrar under the provisions of the Act.
Statements of Accounts to be furnished to general meeting.
223. 1) Every Balance Sheet of the Company shall give a true and fair view of the state of affairs of the Company as at the end of the financial year and subject to the provisions of Section 211 of the Act, in the form set out in Part I of Schedule VI to the Act or as near thereto as circum-

Form and contents of Balance Sheet & Profit & Loss Account.

stances admit or in such other form as may be approved by the Central Government either generally or in case of the Company and in preparing the Balance Sheet due regard shall be had, as far as may be, to the general instructions for preparation of Balance Sheet under the heading "NOTES" at the end of the Part.

- 2) Every Profit and Loss Account of the Company shall give a true and fair view of the profit or loss of the Company for the financial year and shall comply with the requirements of Part II of Schedule VI to the Act, so far as they are applicable thereto.

Authentication of
Balance Sheet
and Profit and
Loss Account.

224. 1) Every Balance Sheet and every Profit and Loss Account of the Company shall be signed by Manager or Secretary, if any, and by not less than two Directors of the Company one of whom shall be a Managing Director where there is one PROVIDED that if there is only one Director present in India at the time, the Balance Sheet and the Profit and Loss Account shall be signed by such Director but in such a case there shall be sub-joined to the Balance Sheet and the Profit and Loss Account a Statement signed by such Director explaining the reason for non-compliance with the aforesaid provision requiring the signatures of two Directors.

- 2) The Balance Sheet and the Profit and Loss Account shall be approved by the Directors before they are signed on their behalf and before they are submitted to the auditors for their report thereon.

- 3) The Profit and Loss Account shall be annexed to Balance Sheet and Auditors' Report (including the Auditors' separate, special or supplementary report, if any) shall be attached thereto.

Directors' Report. 225. 1) There shall be attached to every Balance Sheet laid before the Company in general meeting a report by its Directors with respect to :

- i) the state of the Company's affairs;
- ii) the amounts, if any, which they propose to carry to any reserves in such Balance Sheet;
- iii) The amount, if any, which they recommend should be paid by way of dividend;
- iv) the material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the Balance Sheet relates and the date of the Report; and

v) the conservation of energy, technology absorption, foreign exchange earnings and outgo in such manner as may from time to time, be prescribed, under the provisions of the Act.

2) The Directors' Report shall, so far as is material for the appreciation of the state of the Company's affairs by its members and will not in the Directors' opinion be harmful to the business of the Company or of any of its subsidiaries, if any, deal with any changes which have occurred during the financial year :

- a) in the nature of the Company's business;
- b) in the Company's subsidiaries, if any, or in the nature of the business carried on by them; and
- c) generally in the classes of business in which the Company has an interest.

3) a) The Directors' report shall also include a statement showing the name of every employee of the Company who --

- i) if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than thirty six thousand rupees; or
- ii) if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which in the aggregate, was not less than three thousand rupees per month.

b) The statement referred to in clause a) shall also indicate -

- i) whether any such employee is a relative of any Director or Manager of the Company and if so, the name of such Director;

and

- ii) such other particulars as may be prescribed.

Explanation : "Remuneration" has the meaning assigned to Section 198 of the Companies Act, 1956.

4) The Directors shall give the fullest information and explanation in the report aforesaid, or in cases falling under proviso to Section 222 of the Act in an addendum to the report on every reservation, qualification or adverse remark contained in the Auditors' Report.

- 5) The Directors' Report and any addendum thereto shall be signed by its Chairman if he is authorised in that behalf by the Directors and where he is not so authorised, shall be signed by such number of Directors as are required to sign the Balance Sheet and the Profit and Loss Account of the Company by virtue of clause (1) of the preceding Article.

Right of members
to copies of
Balance Sheet and
Auditors' Report

Substituted by
Special Resolution
passed at the
Seventh Annual
General Meeting
held on September
26, 1992.

226. 1) A copy of every Balance Sheet (including the Profit and Loss Account, the Auditors' Report and every other document required by law to be annexed or attached, as the case may be, to the balance sheet) which is to be laid before the Company in general meeting shall not less than twenty-one days before the date of the meeting be sent to every member of the Company, to every trustee for the holders of any debentures issued by the Company, whether such member or trustee is or is not entitled to have notice of general meetings of the Company sent to him and to all persons other than such members or trustees, being persons so entitled; provided that it shall not be necessary to send copies of the documents aforesaid -

- i) to a member, or to holder of debentures, of the Company, who is not entitled to have notices of general meetings of the Company sent to him and of whose address the Company is unaware;
- ii) to more than one of the joint-holders of any shares or debentures none of whom is entitled to have such notices sent to him;
- iii) in the case of joint-holders of any shares or debentures some of whom are not entitled to have such notices sent to them, to those who are not so entitled;
- iv) as long as the shares of the Company are listed on a recognised stock exchange, and if the copies of documents aforesaid are made available for inspection at the registered office of the Company during working hours for a period of twenty-one days before the date of the meeting, a statement containing the salient features of such documents in the prescribed form or copies of the documents aforesaid, as the Company may deem fit, is sent to every member of the Company and to every trustee for the holders of any debentures issued by the Company not less than twenty-one days before the date of the meeting.

Provided that if the copies of the documents aforesaid are sent less than twenty-one days before the date of the meeting, they shall notwithstanding that fact, be deemed to have been duly sent, if it is agreed by all the members entitled to vote at the meeting.

- 2) Any member or holder of debentures of the Company and any person from whom the Company has accepted a sum of money by way of deposit shall, on demand, be entitled to be furnished free of cost with a copy of the last Balance Sheet of the Company and of every document required by law to be annexed or attached thereto, including the Profit and Loss Account and the Auditors' Report.

227. 1) The Company shall within thirty days from the date on which the Balance Sheet and Profit and Loss Account shall have been laid before the annual general meeting, file with the Registrar of Companies, three copies of the Balance Sheet and the Profit and Loss Account signed by the Managing Director, Manager or Secretary of the Company or if there be none of these, by a Director of the Company together with three copies of all documents which are required by the Act to be annexed or attached to such Balance Sheet or Profit and Loss Account.
- Three copies of
Balance Sheet and
Profit and Loss
Account to be filed with
Registrar.

- 2) If any annual general meeting of the Company, before which a Balance Sheet is laid as aforesaid does not adopt the Balance Sheet, a statement of that fact and of the reason thereof shall be annexed to the Balance Sheet and the copies THEREOF required to be filed with the Registrar of Companies.

A U D I T

228. Once at least in every year the accounts of the Company shall be balanced & audited and the correctness of the Profit and Loss Account and Balance Sheet ascertained by one or more Auditor or Auditors.

Accounts to be
audited.

229. 1) Auditors shall be appointed and their qualifications, rights and duties regulated in accordance with Sections 224 to 233 of the Act.

Appointment of
Auditors.

- 2) The Company shall at each annual general meeting appoint an Auditor or Auditors to hold office from conclusion of that meeting until the conclusion of the next annual general meeting and shall within seven days of the appointment give intimation thereof to the Auditor so appointed unless he is a Retiring Auditor.

- 3) At any annual general meeting a Retiring Auditor, by whatsoever authority appointed, shall be re-appointed unless;
- a) he is not qualified for re-appointment;
 - b) he has given the Company notice in writing of his unwillingness to be re-appointed;
 - c) a resolution has been passed at that meeting appointing somebody instead of him or providing expressly that he shall not be re-appointed; or
 - d) where notice has been given of an intended resolution to appoint some person or persons in the place of

a retiring Auditor, and by reason of the death, incapacity or disqualification of that person or of all those persons, as the case may be, the Resolution cannot be proceeded with.

4) Where at annual general meeting no Auditors are appointed or re-appointed, the Central Government may appoint a person to fill the vacancy.

5) The Company shall, within seven days of the Central Government's power under the sub-clause (4) becoming exercisable give notice of that fact to that Government.

6) The Directors may fill any casual vacancy in the office of Auditor, but while any such vacancy continues, the surviving or continuing Auditor or Auditors (if any) may act but where such vacancy is caused by the resignation of an Auditor, the vacancy shall only be filled by the Company in general meeting.

7) A person, other than a retiring Auditor, shall not be capable of being appointed at an annual general meeting unless special notice of a resolution for appointment of that person to the office of Auditor has been given by a member to the Company not less than fourteen days before the meeting in accordance with Section 190 of the Act and the Company shall send a copy of any such notice to retiring Auditor and shall give notice thereof to the members in accordance with Section 190 of the Act and all the other provisions of Section 225 of the Act shall apply in the matter. The provisions of this sub-clause shall also apply to a resolution that retiring Auditor shall not be re-appointed.

Qualification &
disqualification of
Auditors.

8) The persons qualified for appointment as Auditors shall be only those referred to in Section 226 of the Act.

Audit of
Branch Offices.

230. The Company shall comply with the provisions of Section 228 of the Act in relation to the audit of the accounts of branch offices of the Company.

Remuneration of
Auditors.

231. The remuneration of the Auditors of the Company shall be fixed by the Company in General Meeting except that the remuneration of any Auditors appointed to fill any casual vacancy may be fixed by the Directors.

1) Every Auditor of the Company shall have a right of access at all times to the books and accounts and vouchers of the Company wherever kept and shall be entitled to require from the Directors and Officers of the Company such information and explanation as may be necessary for the performance of the duties of the Auditors.

2) The Auditors shall make a report to the members of the

Company on the accounts examined by him and on every Balance Sheet and Profit and Loss Account and on every other document declared by the Act to be part of or annexed to the Balance Sheet or Profit and Loss Account, which are laid before the Company in General Meeting during his tenure of office and the report shall state whether in his opinion and to best of his information and according to the explanations given to him, the said accounts give the information required by the Act in the manner so required and give a true and fair view;

i) in the case of the Balance Sheet, of the state of the Company's affairs as at the end of its financial year, and

ii) in the case of the Profit and Loss Account, of the profit or loss for its financial year.

The Auditors shall further make a report on the compliance of the Manufacturing and Other Companies (Auditors' Report) Order, 1975.

3) The Auditors' report shall also state :

a. whether he has obtained all the information and explanations which to the best of his knowledge and belief were necessary for the purpose of his audit;

b. whether, in his opinion, proper books of account as required by law have been kept by the Company so far as appears from his examination of those books and proper returns adequate for the purposes of his audit have been received from the branches not visited by him;

c. whether the report on the accounts of any branch office audited under Section 228 of the Act by a person other than the Company's Auditor has been forwarded to him as required by clause (c) of sub-section (3) thereof and how he has dealt with the same in preparing the Auditors report.

d. whether the Company's Balance Sheet and Profit & Loss Account dealt with by the Report are in agreement with the books of account and returns.

4) Where any of the matters referred to in sub-clauses (a), (b), (c) and (d) thereof is answered in the negative or with a qualification, the Directors' Report shall state the reason for the same.

232. Every account when audited and approved by a general meeting shall be conclusive except as regards any error discovered therein within

Account when
audited and approved

to be conclusive except as to errors discovered within 3 months.

three months next after the approval thereof. Whenever any such error is discovered within that period, the account shall be corrected and thenceforth shall be conclusive.

Power to amend accounts

233. Every account when audited and approved by a general meeting shall be conclusive, except as regards any matters in respect of which modifications may from time to time be considered necessary by the Board of Directors and approved by the members at a general meeting.

DOCUMENTS AND NOTICES

Service of documents or notice on members by the Company.

234. 1) A document or notice may be served by the Company on any member thereof either personally or by sending it by post to him at his registered address or if he has no registered address in India, to the address, if any, within India supplied by him to the Company for serving documents or notice on him.

2) Where a document or notice is sent by Post:

a. service thereof shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or the notice provided that where a member has intimated to the Company in advance that documents should be sent to him under a certificate of posting or by registered Post with or without acknowledgement due and has deposited with the Company a sum sufficient to defray the expenses of doing so. Service of the documents or notice shall not be deemed to be effected unless it is sent in the manner intimated by the member, and

b. such service shall be deemed to have been effected :

i) in the case of a notice of meeting at the expiration of forty-eight hours after the letter containing the same is posted; and

ii) in any other case, at the time at which the letter would be delivered in the ordinary course of Post.

3) A document or notice advertised in a newspaper circulating in the neighbourhood of the registered office of the Company shall be deemed to be duly served on the day on which the advertisement appears, on every member of the Company who has no registered address in India and has not supplied to the Company an address within India for the giving of notices to him.

- 4) A document or notice may be served by the Company on the joint-holders of a share by serving it on the joint-holder named first in the Register of Members in respect of the share.
- 5) A document or notice may be served by the Company on the person entitled to a share in consequence of the death or insolvency of a member by sending it through the Post in a prepaid letter, addressed to them by title of representatives of the deceased, or assignees of the insolvent or by any like description, at the address, if any, in India supplied for the purpose by the person claiming to be so entitled, or until such an address has been so supplied, by serving the document or notice in any manner in which it might have been served if the death or insolvency had not occurred.
- 6) The signature to any document or notice to be given by the Company may be written or printed or lithographed.

235. Document or notice of every general meeting shall be served or given in the same manner hereinafore authorised on or to (a) every member, (b) every person entitled to a share in consequence of the death or insolvency of a member and (c) the Auditor or Auditors for the time being of the Company. PROVIDED that when the notice of the meeting is given by advertising the same in newspaper circulating in the neighbourhood of the office of the Company under Article 94 a statement of material facts referred to in Article 95 need not be annexed to the notice, as is required by that Article, but it shall merely be mentioned in the advertisement that the statement has been forwarded to the members of the Company.

236. Every person, who by operation of law, transfer or other means whatsoever, has become entitled to any share shall be bound by every document or notice in respect of such share, which prior to his name and address being entered on the Register of Members, shall have been duly served on or given to the person from whom he derived his title to such share.

237. A document may be served on the Company or an Officer thereof by sending it to the Company or Officer at the Registered Office of the Company by Post under Certificate of Posting or by Registered Post or by leaving it at its registered office.

238. A document may be served on the Registrar of Companies by sending it to him at his office by Post under a Certificate of Posting or by Registered Post or by delivering it to or leaving it for him at his office.

239. Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the Company may be signed by a Director, the Manager or the Secretary or other authorised officer of the Company and need not be under the Common Seal of the Company.

To whom documents
must be served or
given.

Members bound by
documents or
notices served or
given to previous
holders.

Service of
documents on
Company.

Service of documents
by Company on the
Registrar of
Companies.

Authentication of
documents and
proceedings.

REGISTERS AND DOCUMENTS

Registers and documents to be maintained by the Company.

290. The Company shall keep and maintain Registers, Books and Documents as required by the Act or these Articles, including the following:-

- 1) Register of Investments made by the Company but not held in its own name, as required by Section 49 (7) of the Act and shall keep it open for inspection by any member or debenture holder of the Company without charge.
- 2) Register of Mortgages and Charges as required by Section 143 of the Act and copies of instrument creating any charge requiring registration according to Section 125 of the Act and shall keep them open for inspection by any creditor or member of the Company without fee and for inspection by any person on payment of a fee of rupee one for each inspection.
- 3) Register and Index of Members as required by Sections 150 and 151 of the Act and shall keep the same open for inspection of any member or debenture holder without fee and of other person on payment of a fee of rupee one for each inspection.
- 4) Register and Index of Debenture Holders under Section 152 of the Act and keep it open for inspection by any member or Debenture Holder without fee and by any other person on payment of Rupee one for each inspection.
- 5) Foreign Register, if so thought fit, as required by Section 157 of the Act and it shall be open for inspection and may be closed and extracts may be taken therefrom and copies thereof as may be required, in the manner, mutatis mutandis as is applicable to the Principal Register.
- 6) Register of Contracts, and Companies and firms in which Directors are interested as required by Section 301 of the Act and shall keep it open for inspection of any member free of charge.
- 7) Register of Directors and Secretary etc., as required by Section 303 of the Act and shall keep it open for inspection by any member of the Company without charge and of any other person on payment of a fee of rupee one for each inspection.
- 8) Register as to holdings by Directors of shares and/or debentures in the Company as required by Section 307 of the Act and shall keep it open for inspection by any member or debenture holder of the Company on any working day during the period beginning fourteen days before the date of the Company's annual general meeting and ending three

days after the date of its conclusion.

- 9) Register of Investments made by the Company in shares and debentures of bodies Corporate as required by Section 372 of the Act.
- 10) Books recording minutes of all proceedings of general meetings and all proceedings at meetings of its Board of Directors or of Committees of the Board in accordance with the provisions of Section 193 of the Act.
- 11) Copies of Annual Returns prepared under Section 159 of the Act together with the copies of certificates and documents required to be annexed thereto under Section 161 of the Act.
- 12) Register of loans as required by Section 370 of the Act.

Inspection of
Registers.

241. The Registers mentioned in clauses 9 and 12 of the foregoing Article and the minutes of all proceedings of general meetings shall be open to inspection and extracts may be taken therefrom and copies thereof may be required by any member of the Company in the same manner to the same extent and on payment of the same fees as in the case of the Register of Members of the Company, as provided for in clause 3, of the said Article. Copies of entries in the Registers mentioned in the foregoing Article shall be furnished to the persons entitled to the same on payment of thirty-seven paise for every hundred words or fractional part thereof required to be copied. The Company shall give inspection of the above Register to the persons entitled to the same on such days and during such business hours as may consistently with the provisions of the Act in that behalf be determined by the Company in general meeting.

WINDING UP

Distribution of
Assets.

242. If the Company shall be wound up, and the assets available for distribution among the members as such shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the members in the proportion to the capital paid up or which ought to have been paid up at commencement of the winding up, on the shares held by them respectively, and if in a winding up the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the members in proportion to the capital at the commencement of the winding up, or which ought to have been paid up on the shares held by them respectively. But this Article is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions.

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| Distribution in specie or kind. | <p>293. 1) If the Company shall be wound up, whether voluntarily or otherwise, the Liquidator may, with the sanction of a special resolution, divide amongst the contributories in specie or kind, any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in Trustees upon such trusts for the benefit of the contributories or any of them, as the Liquidator, with such sanction, shall think fit.</p> <p>2) If thought expedient any such division may subject to the provisions of the Act be otherwise than in accordance with the legal rights of the contributories, (except where unalterably fixed by the Memorandum of Association) and in particular any class may be given preferential or special rights or may be excluded altogether or in part but in case any division otherwise than in accordance with the legal rights of the contributories shall be determined upon, any contributory who would be prejudiced thereby shall have a right to dissent any ancillary rights as if such determination were a special resolution passed pursuant to Section 494 of the Act.</p> <p>3) In case any shares to be divided as aforesaid involve a liability to calls or otherwise any person entitled under such division to any of the said shares may within ten days after the passing of the special resolution by notice in writing direct the Liquidator to sell his proportion and pay from the net proceeds and the Liquidator shall if practicable act accordingly.</p> |
| Right of shareholders in case of sales. | <p>294. A special resolution sanctioning a sale to any other Company duty passed pursuant to Section 494 of the Act may subject to the provisions of the Act in like manner as aforesaid determine that any shares or other consideration receivable by the Liquidator be distributed amongst the members otherwise than in accordance with their existing rights and any such determination shall be binding upon all the members subject to the rights of dissent and consequential rights conferred by the said Section.</p> |

I N D E M N I T Y

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| Directors' and others' rights to indemnity. | <p>295. Subject to provisions of Section 201 of the Act, every Director, or Officer, or servant of the Company or any person (whether an officer of the Company or not) employed by the Company as auditor, shall be indemnified by the Company against and it shall be the duty of the Directors out of the funds of the Company to pay all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as</p> |
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he shall incur or sustain through or by his own wrongful act, neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions against all liabilities incurred by him as such Director, Officer, Auditor or Servant of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favour, or in which he is acquitted or in connection with any application under Section 633 of the Act in which relief is granted to him by the Court.

246. Subject to the provisions of Section 201 of the Act, no Director, Auditor or other Officer of the Company shall be liable for the acts, receipts, neglects, or defaults of any other Director or Officer or for joining in any receipt or other act for conformity or for any loss or expenses happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Directors, for or on behalf of the Company or for insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damages arising from insolvency or tortious act of any person, firm or Company to or with whom any moneys, securities or effects shall be entrusted or deposited or any loss occasioned by any error of judgement, omission, default or oversight on his part or for any other loss, damage, or misfortune whatever which shall happen in relation to the execution of the duties of his office or in relation thereto unless the same shall happen through his own dishonesty.

SECURITY CLAUSE

247. Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the Company shall, if so required, by the Director, before entering upon his duties, sign a declaration pledging himself to observe a strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matter thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions, in these presents contained.

248. No member or other person (not being a Director) shall be entitled to visit or inspect any property or premises of the Company without the permission of the Directors or Managing Director or to require discovery of or any information respecting any detail of the Company's trading, or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process, or any other matter which may relate to the conduct of the business of the Company and which in the opinion of the Director, it would be inexpedient in the interest of the Company to disclose.

Secrecy clause.

No member to enter the premises of the Company without permission.

We, the several persons whose names and addresses are subscribed, are desirous of being formed into a Company in pursuance of these Articles of Association, and we respectively agree to take the number of Shares in the Capital of the Company set opposite our respective names :

Name, address, description and occupation of each subscriber	Number of Shares taken by each Subscriber	Name, address, description and occupation of witness
Sd/- Dhakhendra B Hattarki Son of Basappa Hattarki 25 Gajanan Housing Society PUNE 411 016. INDUSTRIALIST.	1 (One) Equity	Sd/- Dhondu Gade Son of Shrihar Gade Flat No. 203, Rupee Bldg Kharalwadi, Mumbai, PUNE 411 018 - SERVICE
Sd/- Mrs. Sulochana N. Kalyani Wife of Neckanath Kalyani 221/D, Kalyani Nagar PUNE 411 014. INDUSTRIALIST	1 (One) Equity	
Sd/- Mrs. Surita B. Kalyani Wife of Babasaheb Kalyani 221/ABCD Kalyani Nagar PUNE 411 014. INDUSTRIALIST	1 (One) Equity	
Sd/- Mrs. Sunanda Bhalchandra Hattarki Wife of Bhalchandra Hattarki 25 Gajanan Housing Society PUNE 411 016. INDUSTRIALIST	1 (One) Equity	
Sd/- Mrs. Surekha S. Hattarki Wife of Suresh Hattarki A/111 Agrasen Housing Society Koregaon Road, PUNE 411 001 INDUSTRIALIST	1 (One) Equity	
Sd/- Mrs. Late U. Hattarki Wife of Uday S. Hattarki 381/11 River-View Apts 320, Koregaon Park Road PUNE 411 001. INDUSTRIALIST	1 (One) Equity	
Sd/- Mohan Umakant Takale Son of Umakant Takale 2401, Shaktiwar Path Kalyani Bldg, KARAU - 415 110. INDUSTRIALIST	1 (One) Equity	
TOTAL	7 (Seven)	

PUNE Dated the 24th day of June 1985.

1 SHARP INDIA LIMITED

1. Special Resolution passed at the Extraordinary General Meeting of the Members of the Company held on 29th July, 1985.

1. "RESOLVED THAT THE REGULATIONS CONTAINED IN THE NEW SET OF ARTICLES OF ASSOCIATION OF THE COMPANY (INCLUSIVE OF THE EXISTING ARTICLES NOS. 3, 6, 8, 9, 10, 11 & 12) AS PER THE DRAFT SUBMITTED TO THIS MEETING, AND FOR THE PURPOSE OF IDENTIFICATION, INITIALLED BY THE CHAIRMAN THEREOF, BE AND ARE HEREBY APPROVED AND ADOPTED AS THE ARTICLES OF ASSOCIATION OF THE COMPANY, IN SUBSTITUTION FOR, AND TO THE EXCLUSION OF, ALL THE EXISTING ARTICLES THEREOF."

2. "RESOLVED THAT PURSUANT TO THE PROVISIONS OF SECTION 293(1)(d) AND OTHER APPLICABLE PROVISIONS, IF ANY, OF THE COMPANIES ACT, 1956, THE CONSENT OF THE COMPANY BE AND IS HEREBY GRANTED TO THE BOARD OF DIRECTORS OF THE COMPANY BORROWING MONEYS FOR AND ON BEHALF OF THE COMPANY, FROM TIME TO TIME AS AND WHEN REQUIRED BY THE COMPANY, PROVIDED THAT THE MONEYS SO BORROWED (APART FROM TEMPORARY LOANS OBTAINED FROM TIME TO TIME BY THE COMPANY FROM ITS BANKERS IN THE ORDINARY COURSE OF ITS BUSINESS) SHALL NOT EXCEED RS. 30 MILLION (THIRTY MILLION) OVER AND ABOVE THE AGGREGATE OF THE PAID UP CAPITAL OF THE COMPANY AND ITS FREE RESERVES THAT IS TO SAY, RESERVES NOT SET APART FOR ANY SPECIFIC PURPOSE, AS THE BOARD MAY FROM TIME TO TIME DEEM NECESSARY."

- II. Special Resolution passed at the Extraordinary General Meeting of the Members of the Company held on 26th August, 1985.

1. "RESOLVED THAT THE COMPANY BE AND IS HEREBY CONVERTED INTO A PUBLIC LIMITED COMPANY AND THAT FOR THE AFORESAID PURPOSE THE ARTICLES OF ASSOCIATION OF THE COMPANY BE AND ARE HEREBY ALTERED BY DELETION OF ARTICLE 249 AND THAT THE NAME OF THE COMPANY BE AND IS HEREBY CHANGED FROM 'KALYANI TELECOMMUNICATIONS & ELECTRONICS PRIVATE LIMITED TO 'KALYANI TELECOMMUNICATIONS & ELECTRONICS LIMITED'."

2. "RESOLVED THAT PURSUANT TO THE PROVISIONS OF SECTION 309(4) OF THE COMPANIES ACT, 1956, READ WITH ARTICLE 143 OF THE COMPANY'S ARTICLES OF ASSOCIATION, THE COMPANY DO PAY TO THE DIRECTORS OF THE COMPANY, COMMISSION AT THE RATE AS MAY BE

DECIDED BY THE BOARD, BUT NOT EXCEEDING 3% (ONE PER CENT, IF COMPANY HAS AT ANY TIME A MANAGING DIRECTOR OR A WHOLE-TIME DIRECTOR) OF THE NET PROFITS OF THE COMPANY COMPUTED IN THE MANNER LAID DOWN IN SECTION 198(1) AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 1956 FOR A PERIOD OF FIVE YEARS STARTING FROM THE DATE OF COMMENCEMENT OF COMMERCIAL PRODUCTION AND THAT THE BOARD OF DIRECTORS BE AND IS HEREBY AUTHORISED TO APPROVE DISTRIBUTION OF SUCH COMMISSION AMONGST ONE OR MORE OF THE DIRECTORS AS THE BOARD MAY THINK FIT AND PROPER TAKING INTO CONSIDERATION THE SERVICES RENDERED BY THE DIRECTORS OF THE COMPANY FROM TIME TO TIME."

III. Special Resolution passed at the Extraordinary General Meeting of the Members of the Company held on 21st day of April, 1986.

1. "RESOLVED THAT PURSUANT TO THE PROVISIONS OF SECTION 21 OF THE COMPANIES ACT, 1956 AND OTHER APPLICABLE PROVISIONS IF ANY OF THE SAID ACT AND SUBJECT TO THE APPROVAL OF THE CENTRAL GOVERNMENT THE NAME OF THE COMPANY BE AND IS HEREBY CHANGED FROM KALYANI TELECOMMUNICATIONS AND ELECTRONICS LIMITED TO KALYANI SHARP INDIA LIMITED AND ACCORDINGLY THE NAME KALYANI TELECOMMUNICATIONS AND ELECTRONICS LIMITED WHEREVER IT APPEARS IN THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE COMPANY BE AND IS HEREBY SUBSTITUTED BY THE NAME KALYANI SHARP INDIA LIMITED."

IV. Special Resolution passed at the Extraordinary General Meeting of the Members of the Company held on 26th day of December, 1988.

"RESOLVED THAT THE ARTICLES OF ASSOCIATION OF THE COMPANY BE AND ARE HEREBY ALTERED AS UNDER :

1) DELETE THE PRESENT ARTICLE 106 AND SUBSTITUTE THEREFOR THE FOLLOWING AS ARTICLE 106 :

DEMAND FOR POLL : 106. BEFORE OR ON THE DECLARATION OF THE RESULT OF THE VOTING ON ANY RESOLUTION ON A SHOW OF HANDS, A POLL MAY BE ORDERED TO BE TAKEN BY THE CHAIRMAN OF THE MEETING OF HIS OWN MOTION AND SHALL BE ORDERED TO BE TAKEN BY HIM ON A DEMAND MADE IN THAT BEHALF BY ANY MEMBER OR MEMBERS PRESENT IN PERSON OR BY PROXY AND HOLDING SHARES IN THE COMPANY WHICH CONFER A POWER TO VOTE ON THE RESOLUTION NOT BEING LESS THAN ONE TENTH OF THE TOTAL VOTING POWER IN RESPECT OF THE RESOLUTION, OR ON WHICH AN AGGREGATE SUM OF NOT LESS THAN FIFTY THOUSAND RUPEES

HAS BEEN PAID UP, THE DEMAND FOR A POLL MAY BE WITHDRAWN AT ANY TIME BY THE PERSON OR PERSONS WHO MAKE THE DEMAND.

- 10) AT THE END OF THE FIRST SENTENCE OF CLAUSE (1) OF ARTICLE 169 DELETE THE FULL STOP AND ADD THE FOLLOWING WORDS :

"ALONG WITH A DEPOSIT OF FIVE HUNDRED RUPEES WHICH WILL BE REFUNDED TO SUCH PERSON OR, AS THE CASE MAY BE, TO SUCH MEMBER, IF THE PERSON SUCCEEDS IN GETTING ELECTED AS DIRECTOR."

V. Special Resolution passed at the Annual General Meeting of the Members of the Company held on 30th September, 1989.

"RESOLVED THAT THE ARTICLES OF ASSOCIATION OF THE COMPANY BE AND ARE HEREBY ALTERED AS UNDER :

1. IN ARTICLE 2 BETWEEN THE EXPRESSIONS "Auditors" AND "Board of Directors" THE FOLLOWING EXPRESSION BE INSERTED.

"BFL" shall for the purposes of these Articles mean BHARAT BFL, FORCE LIMITED having its registered office at Mundhwa, Pune 411-036 and include its wholly owned subsidiaries and its successors and assigns in business.

IN ARTICLE 2 BETWEEN THE EXPRESSIONS "Shares" AND "Special Resolution" THE FOLLOWING EXPRESSION BE INSERTED.

"SHARP" shall for the purposes of these Articles mean SHARP CORPORATION having its principal office at 22-22, Nagaike-cho, Abeno-ku, Osaka, Japan and include its wholly owned subsidiaries and its successors and assigns in business. share.

2. IN SUB-CLAUSE (a) OF ARTICLE 4, IN THE FIRST LINE DELETE THE WORD "Ordinary" AND SUBSTITUTE THEREFOR THE WORD "Special".

3. IN SUB-CLAUSE (2)(b) OF ARTICLE 15 IN THE FORTH AND FIFTH LINE THE WORDS "(including the casting vote, if any, of the Chairman)" BE DELETED.

4. DELETE THE PRESENT ARTICLE 74 AND SUBSTITUTE THEREFOR THE FOLLOWING AS ARTICLE 74 :

74.(a) Shares issued to SHARP and BFL are not transferable until March 31, 1995 except to their own respective associates, subsidiary or holding companies and affiliates.

Directors entitled to refuse to register.

- (b) The Company shall be entitled to decline to register more than four persons as the joint-holders of any share.

5. DELETE THE PRESENT ARTICLE 108 AND SUBSTITUTE THEREFOR THE FOLLOWING AS ARTICLE 108 :

Chairman's
casting vote.

108. The Chairman shall not have a second or casting vote.

6. IN ARTICLE 116 IN THE 11TH LINE AFTER THE WORDS "Section 87" THE WORDS "of the Act" BE INSERTED.

7. IN SUB-CLAUSE (1) OF ARTICLE 119, IN THE 6TH LINE AFTER THE WORDS "its representative" ADD THE WORDS "at any meeting of the Company or".

8. IN ARTICLE 120 IN THE 4TH LINE SUBSTITUTE THE WORDS "at least" FOR THE WORD "at least".

9. DELETE THE PRESENT ARTICLE 125 AND SUBSTITUTE THEREFOR THE FOLLOWING AS ARTICLE 125 :

No proxy except
for a corporation
in vote on a
show of hands.

125. No member except for a corporation present only by proxy shall be entitled to vote on a show of hands.

10. DELETE THE PRESENT ARTICLE 133 AND SUBSTITUTE THEREFOR THE FOLLOWING AS ARTICLE 133 :

Number of
Directors.

- 133.(a) The number of Directors shall not be less than three nor more than fifteen (excluding Institutional Directors and Debenture Directors, if any).

(b) Subject to the above, the Company in General Meeting shall determine the number of Directors for the time being in Office. This, however, shall not prejudice the power of the Board to appoint Additional Directors or to fill up casual vacancies under Articles 140 and 141 hereof.

11. DELETE THE PRESENT ARTICLE 134 AND SUBSTITUTE THEREFOR THE FOLLOWING AS ARTICLE 134 :

Nomination of
Directors by
SHARP and by BFL.

- 134.(a) So long as SHARP holds 26% or more of the paid-up equity share capital of the Company, SHARP shall have the right by a notice in writing addressed to the Company to nominate for the purposes of Clauses (a) and (b) of Article 132 and Clause (3) of Article 186, one member (regular Director or alternate Director) of the Board of Directors of the Company as its nominee and from time to time to change, cancel or withdraw any such nomination and to make a fresh nomination. Such right

shall include a right to effect separate nominations for every meeting of the Board of Directors of the Company.

(b) So long as BFL holds 26% or more of the paid-up equity share capital of the Company, BFL shall have the right by a notice in writing addressed to the Company to nominate for the purposes of Clauses (a) and (b) of Article 182 one member (regular Director or alternate Director) of the Board of Directors of the Company as its nominee and from time to time to change, cancel or withdraw any such nomination and to make a fresh nomination. Such right shall include a right to effect separate nominations for every meeting of the Board of Directors of the Company.

(c) It shall be obligatory for the directors nominated by SHARP and BFL in exercise of their respective rights under the provisions of this Article 134 to attend the meetings for which he or they as the case may be are nominated.

12. IN ARTICLE 136 AND ITS MARGINAL NOTE DELETE THE WORD "Nominee" WHEREVER APPEARING AND SUBSTITUTE THEREFOR THE WORD "Institutional".

13. DELETE THE PRESENT ARTICLE 137.

14. IN ARTICLE 138 IN LINE 1 AND 3 THE FIGURES "134" AND "137" BE DELETED.

15. DELETE THE PRESENT ARTICLE 157 AND SUBSTITUTE THEREFOR THE FOLLOWING AS ARTICLE 157 :

157. The Company shall observe the restrictions imposed on the Company in regard to making any loans, giving any guarantee or providing any security to the companies or bodies corporate under the same management as provided in Section 370 of the Act.

Loans etc.
to Companies.

16. DELETE THE PRESENT ARTICLE 160 AND SUBSTITUTE THEREFOR THE FOLLOWING AS ARTICLE 160 :

160. A Director may be or become a Director of any Company in which he may be interested as a vendor, shareholder or otherwise, and no such Director shall be accountable for any benefits received as a director or shareholder of such company except in so far as Section 309(6) or Section 314 of the Act may be applicable.

Directors may be
Directors of
companies promoted
by the Company.

17. IN ARTICLE 162 DELETE THE FIGURE 134 AND THE WORDS "Nominee" AND "Special Directors, or" WHEREVER APPEARING.

18. IN SUB-CLAUSE (2) OF ARTICLE 170 DELETE IN THE 6TH AND 7TH LINE THE WORD COMPANY "C" IN CAPITAL LETTER BE SUBSTITUTED BY THE WORD COMPANY WITH "C" IN SMALL LETTERS.

19. DELETE THE PRESENT ARTICLE 173 AND SUBSTITUTE THEREFOR THE FOLLOWING AS ARTICLE 173 :

Board of Directors may appoint Managing Director or Whole-Time Director(s).
 173(A) Subject to the provisions of the Act, the Directors may from time to time appoint and re-appoint any one or more of their body to be a Managing Director or Managing Directors (which expression shall include a Deputy Managing Director in these Articles 173 through 176) or Whole-Time Directors of the Company for such term not exceeding five years at a time as may be thought fit to manage the business affairs of the Company and may from time to time (subject to the provisions of any contract between him and them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.

Not liable to retire.
 (B) The Managing Director or Whole-Time Director, while he continues to hold that office shall not be subject to retirement by rotation but he shall, subject to the provisions of any contract between him and the Company, be subject to the same provisions as to resignation or removal of the other Directors of the Company and he shall ipso facto immediately cease to be Managing Director or Whole-Time Director if he ceases to hold the office of a Director for any cause; provided that if at any time the number of Directors (including the Managing Director or Whole-Time Director) as are not subject to retirement by rotation shall exceed one-third of the total number of the Directors for the time being, then such Managing Director or Managing Directors or Whole-Time Director or Whole-Time Directors as the Board of Directors shall from time to time select, shall be liable to retirement by rotation to the intent that the Directors not liable to retirement by rotation shall not exceed one-third of the total number of Directors for the time being.

20. DELETE THE PRESENT ARTICLE 174.

21. DELETE THE PRESENT ARTICLE 176 AND SUBSTITUTE THEREFOR THE FOLLOWING AS ARTICLE 176 :

Powers and duties of Managing and Whole-Time Director(s).
 176. Subject to the superintendence, control and direction of the Board the day to day management of the Company shall be in the hands of the Managing Director(s) or Whole-time Director(s) appointed under

Article 173 with power to the Board to distribute such day to day management functions among such Director(s) in any manner as deemed fit by the Board and subject to the provisions of the Act and these Articles the Board may by resolution vest any such Managing Director or Managing Directors or whole time Director or whole time Directors such of the powers hereby vested in the Board generally as it thinks fit and such powers may be made exercisable for such period or periods and upon such conditions and subject to such restrictions as it may determine and the Directors may subject to the provisions of the Act and these Articles confer such powers either collaterally with or to the exclusion of or in substitution for all or any of the powers of the Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers.

22. DELETE THE PRESENT ARTICLE 181 AND SUBSTITUTE THEREFOR THE FOLLOWING AS ARTICLE 181 :

181.(a) So long as Dr. N.A. Kalyani is a Director and competent to perform the duties required of him, Dr. N.A. Kalyani shall be the Chairman of the Board of Directors.

Chairman and
Vice-Chairman

(b) So long as Mr. B.N. Kalyani is a Director and competent to perform the duties required of him, Mr. B.N. Kalyani shall be the Vice Chairman.

(c) In the event of Dr. N.A. Kalyani declining to act or to continue to act as Chairman or ceasing to be a Director for any reason, Mr. B.N. Kalyani shall be the Chairman of the Board of Directors.

(d) Subject to the provisions of the preceding sub-clauses, the Directors may elect the Chairman of the Board and determine the period for which he is to hold the office.

(e) The Chairman and in his absence the Vice Chairman, if any, shall preside at all the meetings. If at any time the Chairman as well as the Vice Chairman are not present at the time appointed for holding the meeting, the Directors present shall choose one of their member to be the Chairman of such meeting. In the case of an equality of votes the Chairman shall not have a casting vote.

23. DELETE THE PRESENT ARTICLE 182 AND SUBSTITUTE THEREFOR THE FOLLOWING AS ARTICLE 182 :

182.(a) Subject to the provisions of sub-clause (b) hereof, questions arising at meetings of the Board of Directors shall be decided by a majority vote of the Directors

Questions at
Board meeting
now decided.

present and entitled to vote thereat; provided that such majority vote is given when the director nominated by SHARP and the director nominated by BFL are present. The Chairman of a meeting of the Board shall not have a second or casting vote.

(b) Notwithstanding anything contained in these Articles, any and all resolutions on the matters enumerated below shall be passed only at a meeting of the Board of Directors by a vote of the two-thirds (2/3) of the Directors present thereat, provided that such vote is given when the director nominated by SHARP and the director nominated by BFL are present.

Such matters shall :

- (i) the adoption of the annual accounts (including balance sheet) of the Company;
- (ii) the recommendation or declaration of dividends;
- (iii) the appointment of the Managing Director and other whole-time Directors of the Company, as well as their remuneration and powers;
- (iv) selection of auditors, and legal advisers;
- (v) all long term (one year or more) borrowing arrangements of the Company beyond Board approved Finance Plans and Budgets;
- (vi) any borrowing, guarantee, mortgage or lending in excess of Rupees 500,000 beyond Board approved Finance Plans and Budgets;
- (vii) any purchase, sale or lease of machinery, equipment, tooling, land or building, in excess of Rupees 2,500,000 beyond Board approved Finance Plans and Budgets;
- (viii) any grant or receipt of patent, know-how or other technology licences excluding those with SHARP or any subsidiaries of SHARP;
- (ix) any change in the capital structure of the Company including the issuance of additional shares;
- (x) any investment or financing in or to other firms or companies, and establishments of any new firm or company;
- (xi) any decision regarding legal actions, arbitrations and other like matters except in all emergency circumstances;

(xii) adoption of or modification to the Three Years Financial Plans, the Annual Capital Budget or the Annual Operating Budget;

(xiii) determination or alteration of important marketing policy, which is referred to the Board by Managing Director and Deputy Managing Director;

(xiv) establishment, change or closing of factories and sales offices;

(xv) appointment or change of bankers and insurers.

24. ~~DELETE THE PRESENT ARTICLE 184 AND SUBSTITUTE THEREFOR THE FOLLOWING AS ARTICLE 184 :~~

184. The Board of Directors may subject to the provisions of Section 292 and other relevant provisions of the Act and of these Articles, appoint committees of the Board, and delegate any of the powers other than the powers to make calls and to issue debentures to such committee or committees and may from time to time, revoke and discharge any such committees of the Board either wholly or in part and either as to the persons or purposes, but every committee of the Board so formed shall, in exercise of the powers so delegated conform to any regulation that may from time to time, be imposed on it by the Board of Directors. All acts done by any such committee of the Board in conformity with such regulations and in fulfilment of the purpose of their appointment, but not otherwise, shall have the like force and effect, as if done by the Board. The Board may also confer upon any such committee the power to further delegate any of the powers and authorities delegated to such Committee in favour of any person or persons.

(Directors may
appoint committees)

25. AT THE END OF THE PRESENT ARTICLE 186 ADD THE FOLLOWING AS SUB CLAUSE (3) :

(3) Notwithstanding the provisions of sub clause (2) hereinabove of this Article 186, resolutions to be passed by circular shall be effective only after being circulated to all directors in India, provided that one of them is a director nominated by SHARP.

26. IN ARTICLE 188 LINE 4 AFTER THE WORD COMPANY "," BE INSERTED.

27. IN SUB-CLAUSe (I) OF ARTICLE 190(A) THE WORD COMPANY WITH "C" IN CAPITAL LETTER IN THE THIRD AND SIXTH LINE BE SUBSTITUTED BY THE WORD COMPANY WITH "c" IN SMALL LETTERS.

28. DELETE SUB-CLAUSe (90) IN THE PRESENT ARTICLE 190(A) AND SUBSTITUTE THEREFOR THE FOLLOWING AS SUB CLAUSe (30) :

To pay special remuneration to Directors.

30. To award to any Director such special remuneration as is permissible under the Act and these Articles.

29. DELETE THE PRESENT ARTICLE 199 AND SUBSTITUTE THEREFOR THE FOLLOWING AS ARTICLE 199 :

THE FINANCIAL CONTROLLER AND COMPANY SECRETARY

Financial Controller and Company Secretary shall always be appointed by the Board of Directors. They must respectively be qualified Chartered Accountant and qualified Company Secretary and their remuneration terms shall be determined by the Board of Directors on the recommendation of the Managing Director and the Deputy Managing Director.

30. DELETE THE PRESENT ARTICLE 201 AND SUBSTITUTE THEREFOR THE FOLLOWING AS ARTICLE 201 :

Division of profits.

201.(A) The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these Articles of Association and subject to the provisions of these Articles, shall be divisible among the members in proportion to the amount of capital paid-up or credited as paid-up on the shares held by them respectively.

(B) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividend as from a particular date, such share shall rank for dividend accordingly.

(C) Unless recommended otherwise pursuant to Article 182 hereof and, subject to, (a) the provisions of any loan agreements imposing contrary restrictions on the Company and, (b) restrictions and requirements imposed by law, the Company shall annually pay dividends equal to approximately 50% of the distributable profits after taxes, namely all profits which are capable of being distributed as dividends, after providing for amortisation of the principal amount of all term-loan obligations and losses carried forward.

31. IN ARTICLE 292 IN LINE 2 AND 3 DELETE THE WORD "x" AND SUBSTITUTE THEREFOR THE WORD "and".
32. IN SUB-CLAUSE 4) OF ARTICLE 219 THE WORD "That" APPEARING AT THE BEGINNING OF THE CLAUSE BE DELETED.
33. AT THE END OF SUB-CLAUSE 1) (v) OF ARTICLE 225 ADD THE FOLLOWING AS SUB CLAUSE v) :
- v) the conservation of energy, technology absorption, foreign exchange earnings and outgo in such manner as may from time to time, be prescribed, under the provisions of the Act.
34. IN SUB-CLAUSE 2) OF ARTICLE 227 THE WORD "THEREOF" APPEARING IN CAPITAL LETTERS BE SUBSTITUTED BY THE WORD "thereof" IN SMALL LETTERS.
35. DELETE THE PRESENT ARTICLE 245 AND SUBSTITUTE THEREFOR THE FOLLOWING AS ARTICLE 245 :

245. Subject to provisions of Section 201 of the Act, every Director, or Officer, or servant of the Company or any person (whether an officer of the Company or not) employed by the Company as auditor, shall be indemnified by the Company against and it shall be the duty of the Directors out of the funds of the Company to pay all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act, neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions against all liabilities incurred by him as such Director, Officer, Auditor or Servant of the Company in defending any proceedings whether civil or criminal in which judgement is given in his favour, or in which he is acquitted or in connection with any application under Section 633 of the Act in which relief is granted to him by the Court."

Directors' and
officers' rights
to indemnity.

SHARP INDIA LIMITED

VI Special Resolutions passed at the Extraordinary General Meeting of the members held on of the company held on April 19, 2005

1. "RESOLVED THAT PURSUANT TO THE PROVISIONS OF SECTION 21 OF THE COMPANIES ACT, 1956 AND OTHER APPLICABLE PROVISIONS, IF ANY, OF THE SAID ACT AND SUBJECT TO THE APPROVAL OF THE CENTRAL GOVERNMENT, THE NAME OF THE COMPANY BE AND IS HEREBY CHANGED FROM 'KALYANI SHARP INDIA LIMITED' TO 'SHARP INDIA LIMITED' AND ACCORDINGLY THE NAME 'KALYANI SHARP INDIA LIMITED' WHEREVER IT APPEARS IN THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF COMPANY BE AND IS HEREBY SUBSTITUTED BY THE NAME 'SHARP INDIA LIMITED'."

2. "RESOLVED THAT THE ARTICLES OF ASSOCIATION OF THE COMPANY BE AND ARE HEREBY ALTERED AS UNDER :

(1) IN ARTICLE 2, BETWEEN THE EXPRESSIONS "Auditors" AND "Board of Directors", THE EXPRESSION "BUT" BE DELETED.

(2) DELETE THE PRESENT ARTICLE 134.

(3) DELETE THE PRESENT ARTICLE 173 (A) AND SUBSTITUTE THEREFOR THE FOLLOWING AS ARTICLE 173 (A):

Board of 173. (A) Subject to the provisions of the Act, the Directors may Directors from time to time appoint and re-appoint any one or more of their body to be a Managing Director or may appoint Managing Directors (which expression shall include a Director or Deputy Managing Director in those Articles 173 Whole-time through 176) or Whole-Time Directors of the Company Director(s) for such term not exceeding five years at a time as may be thought fit to manage the business affairs of the Company and may from time to time (subject to the provisions of any contract between him and them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.

(4) DELETE THE PRESENT ARTICLE 181 AND SUBSTITUTE THEREFOR THE FOLLOWING AS ARTICLE 181 :

Chairman 181. a. The Board of Directors may appoint one of their member to act as Chairman of the Company who shall, if present, preside over the meetings of the Board of Directors and General Meetings of the Company.

Vice-
Chairman

- b. The Board of Directors may also appoint one of their other members to act as Vice-Chairman of the Company who shall, in the absence of Chairman, preside over the meetings of the Board of Directors and General Meetings of the Company.

- (5) DELETE THE PRESENT ARTICLE 182 AND SUBSTITUTE THEREFOR THE FOLLOWING AS ARTICLE 182:-

Questions at 182. Subject to provisions of Section 316, 372(5) and 386(2) of the Board Act, questions arising at any meeting of the Board shall be decided by a majority of votes. The Chairman shall not have second or casting vote.

3. "RESOLVED THAT PURSUANT TO THE PROVISIONS OF SECTION 310 AND OTHER APPLICABLE PROVISIONS, IF ANY, OF THE COMPANIES ACT, 1956, AND SUBJECT TO THE APPROVALS AS MAY BE REQUIRED, AND SUCH MODIFICATIONS AND CONDITIONS, IF ANY, AS THE CENTRAL GOVERNMENT MAY IMPOSE AND WHICH THE BOARD OF DIRECTORS OF THE COMPANY IN THEIR DISCRETION ARE HEREBY AUTHORISED TO ACCEPT ALL SUCH APPROVALS BEING READ WITH ARTICLES 173, 175 AND 176 OF THE ARTICLES OF ASSOCIATION OF THE COMPANY, CONSENT OF THE COMPANY BE AND IS HEREBY ACCORDED TO THE INCREASE IN THE REMUNERATION OF MR. TAKAYUKI YAMAZAKI, MANAGING DIRECTOR OF THE COMPANY EFFECTIVE FROM APRIL 1, 2005 FOR THE REMAINING TENURE i.e. UP TO MARCH 31, 2007 ON THE FOLLOWING REMUNERATION:

SALARY OF RS.45,000/- (RUPEES FORTY FIVE THOUSAND ONLY) PER MONTH BE AND IS HEREBY INCREASED TO RS.52,000/- (RUPEES FIFTY TWO THOUSAND ONLY) PER MONTH.

FURTHER RESOLVED THAT THERE IS NO CHANGE IN THE PRESENT PERQUISITES, AS DETAILED BELOW:-

RENT FREE FURNISHED RESIDENTIAL ACCOMODATION TOGETHER WITH NECESSITIES INCLUDING GAS, ELECTRICITY, WATER, ETC.

REIMBURSEMENT OF MEDICAL EXPENSES ACTUALLY INCURRED FOR SELF, WIFE AND DEPENDENT CHILDREN.

CAR WITH DRIVER.

FREE TELEPHONE FACILITY AT RESIDENCE.

REIMBURSEMENT OF ACTUAL TRAVELLING EXPENSES WHILE RETURNING TO JAPAN.

ONE MONTH'S LEAVE WITH FULL PAY FOR EVERY 11 MONTHS SUBJECT TO THE CONDITION THAT LEAVE ACCUMULATED BUT NOT AVAILED WILL NOT BE ALLOWED TO BE ENCASHED.

FURTHER RESOLVED THAT SUBJECT TO THE APPROVAL OF THE CENTRAL GOVERNMENT UNDER SECTION 310 AND OTHER APPLICABLE PROVISIONS,

IF ANY, OF THE COMPANIES ACT, 1956, THE SALARY AND PERQUISITES, BENEFITS AND AMENITIES AS SET OUT ABOVE BE PAID OR GRANTED TO MR. T. YAMAZAKI AS MINIMUM REMUNERATION NOTWITHSTANDING THAT IN ANY FINANCIAL YEAR OF THE COMPANY DURING THE TERM OF MR. T. YAMAZAKI'S OFFICE AS MANAGING DIRECTOR OF THE COMPANY, THE COMPANY HAS MADE NO PROFITS OR THE PROFITS MADE ARE INADEQUATE.

FURTHER RESOLVED THAT THE BOARD OF DIRECTORS AND REMUNERATION COMMITTEE OF DIRECTORS OF THE COMPANY BE AND IS HEREBY AUTHORIZED AND EMPOWERED TO MAKE SUCH MODIFICATIONS IN THE TERMS OF PAYMENT OF REMUNERATION TO MR. T. YAMAZAKI BY WAY OF GOVERNMENT GUIDELINES OR INSTRUCTIONS OR APPROVALS, THE INTENTION BEING THAT NO FURTHER APPROVAL OF THE COMPANY WILL BE REQUIRED SO LONG AS REMUNERATION OF THE MANAGING DIRECTOR IS NOT IN EXCESS OF THE CONSENT GIVEN BY THE FOREGOING RESOLUTION."

4. "RESOLVED THAT PURSUANT TO THE PROVISIONS OF SECTION 21 OF THE COMPANIES ACT, 1956 AND OTHER APPLICABLE PROVISIONS, IF ANY, OF THE SAID ACT AND SUBJECT TO THE APPROVAL OF THE CENTRAL GOVERNMENT, THE NAME OF THE COMPANY BE AND IS HEREBY CHANGED FROM 'KAIYANI SHARP INDIA LIMITED' TO 'SHARP INDIA LIMITED' AND ACCORDINGLY THE NAME 'KAIYANI SHARP INDIA LIMITED' WHEREVER IT APPEARS IN THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF COMPANY BE AND IS HEREBY SUBSTITUTED BY THE NAME 'SHARP INDIA LIMITED.'"

Special Resolution Passed At The 21st Annual General Meeting Of The Company Held On September 9, 2006

RESOLVED THAT pursuant to the provisions of section 31 of the Companies Act, 1956 clause no. 144 of the Articles of Association be altered by substituting the following clause 144 in the existing clause.

"144: The fee payable to the Chairman and to other Directors for attending a meeting of the Board of Directors or Committee thereof shall be such sum as may be prescribed by law from time to time."

Special Resolution passed at the 22nd Annual General Meeting of the Company Held On August 21, 2007

"RESOLVED THAT pursuant to the provisions of section 163 of the Companies Act, 1956, the approval of members be and is hereby accorded for keeping the Register of Members together with the Index of Members and Share Transfer Books along with all relevant documents, at the office of M/s Infine Spectrum Registry Limited, the Registrar and Transfer Agents having their office at 202, 2nd Floor Akshay Complex, Off Dhule Path Road, Near Ganesh Mandir, Pune 411 001 or such other place or places as may be approved by the Board of Directors from time to time."

